

JPRS 80180

24 February 1982

Near East/North Africa Report

No. 2493

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

24 February 1982

NEAR EAST/NORTH AFRICA REPORT

No. 2493

CONTENTS

ALGERIA

Justice Minister Discusses Economic Crimes (Bachir Rezzoug, Halim Mokdad; EL MOUDJAHID, 18 Nov 81)	1
Personal Status Law, Family Code Discussed (EL MOUDJAHID, 19 Nov 81)	6
UNFA Makes Known Views on Law of Personal Status (EL MOUDJAHID, 25 Nov 81)	8

EGYPT

Marxist Grouping Party Calls for Clean Sweep of Policies (AL-SAFIR, 19 Jan 82)	9
Nature of Domestic Subsidy Program Reviewed, Probed (Mustafa Imam, Jamal Zayidah; AL-AHRAM AL-IQTISADI, 4 Jan 82)	23

IRAN

Newspaper Cited on Khomeyni-Israel Dealings (Free Voice of Iran, 3 Feb 82)	32
BBC, Israel Accused of Aiding Khomeyni (Radio Iran, 4 Feb 82)	34
Mas'ud Rajavi Sees Khomeyni Downfall Approaching (SPA, 11 Feb 82)	36
Maraghe'i Calls for Unity To End 'Rotten Clericalism' (Free Voice of Iran, 4 Feb 82)	37
Envoy to USSR Reported Arrested, Kidnapped (Free Voice of Iran, 7 Feb 82)	38

Mullahs Reportedly Sent Terrorists to Europe (Free Voice of Iran, 4 Feb 82)	39
Motives Attributed for Attack on West German Envoy (Voice of Iran, 10 Feb 82)	40
Work of Gendarmerie Political Ideology Office Explained (Hojjat ol eslam Mohammad Mo'meni Shahmirzadi Interview; SOBH-E AZADEGAN, 19 Nov 81)	42
Revolution Prosecutor Discusses Prison Issues (IRNA, 7 Feb 82)	45
Revolution Guards 'Dismantle' Peykar Group (AFP, 10 Feb 82)	46
Revolution Guards Identify Captured Peykar Officials (Tehran Domestic Service, 11 Feb 82).....	47
Tudeh Party Branded 'Most Cunning Political Group in Iran' (Musavian; TEHRAN TIMES, 3 Feb 82)	50
Positive Indicators Cited for Economy (KAYHAN INTERNATIONAL, 28 Jan 82)	53
More Steel Output, A. G. Mosalman Interview Shift Toward Moslem Countries, Hoseyn Kazem Interview Optimism for New Budget, Editorial by S. Moadab	
FVOI Critiques Gulf Cooperation Council Meeting (Free Voice of Iran, 10 Feb 82)	57
Briefs	
Some Prisoners To Be Freed	59
Rumors About Khomeyni's Health	59
Delegation Arrives in Beijing	59
Reaction To Attack on FRG Envoy	80
Liberation Movements Seminar	60
Comments on Saudi Minister's Interview	60
U.S. Muslim at Revolutionary Anniversary	60
Delegation to Far East	61
Mahdavi-Kani in New Delhi	61
Delegation in Nigeria	61
Bahrain, Afghan Front Members	61
Azizi Press Conference in Mexico	62
Revolution Anniversary Military Parade	62
Foreign Minister Velayeti Interviewed	62
Delegation to Yugoslavia	63
Delegation Meets DPRK President	63
Teachers College Reopens	63
Tehran Milk, Meat Shortages	63
Misconduct by Officials in Washington	63

Air Raid Warning	64
Rajavi's Reaction to Raid	64
FVOI Comments on Iran-USSR Gas Negotiations	64
Increasing Monarchist Activity Reported	64
Acting Governor of Darab	64
Aryana, Oveysi, Maraghe'i Unity Calls	65

ISRAEL

Herzog on Israel's Status at UN (Hayim Herzog; POST, 10 Feb 82)	66
'POST' Commentary Decries U.S. Cartographic Unit (Martin H. Miller; POST, 4 Feb 82)	70
W. Bank Land Dealings Disturb Jews, Arabs (David Richardson; POST, 10 Feb 82)	73
Paper Alleges Israeli Intelligence Active in Egypt (Imad al-Din Adib; AL-SHARQ AL-AWSAT, 2 Feb 82)	75
Israeli Commentator Sees Death of Camp David (Yosef Pri'el; DAVAR, 5 Feb 82)	77
'HA'ARETZ' Comments on Frayj's Statements (Yehuda Litani; HA'ARETZ, 29 Jan 82)	79
'MA'ARIV' on Chances for Upgraded Africa Ties (Tamar Golan; MA'ARIV, 5 Feb 82)	83
Peres Interviewed on Current Issues (Shim'on Peres Interview; Jesuralem Domestic Television Service, 3 Feb 82)	85
Major General Barak To Go to Planning Section (Eitan Haber; YEDI'OT AHARONOT, 23 Dec 81)	96
Labor Party Appoints Committee Members (Sarah Honig; POST, 5 Feb 82)	98
Profile of Energy Minister Berman Given (Dan Margolit; HA'ARETZ, 20 Dec 81)	99
Briefs	
Increased Drilling Budget	102
New Settlements in Jordan Valley	102
Libya, Syria Naval Cooperation	102
Levi on Security Committee	103
End to Terrorist Actions	103
Lavi Engine To Be Built	103
Friday Prayers in Hebron Cave	103
Purchase of Poison Gas	104

Gas Exploration	104
Civilian Aid to Bethlehem Industry	104
Nabulus Village League Failure	104
End to W. Bank Speculation Sought	105
Request for Arab University Rejected	105
New Area Village League	105
Unemployment in Development Towns	105
IDF Command Changes	106
Expenditures for Subsidies	106

MOROCCO

National Rally of Independents Analyzes 1982 Budget (Benmessaoud; ALMAGHRIB, 31 Dec 81)	107
NRI Criticizes Government Economic Policy (LA VIEW ECONOMIQUE, 11 Dec 81)	124
Despite Government Promises, Prices Continue Their Climb (AL BAYANE, 8-22 Jan 82)	129
Latest Bank of Morocco Report Analyzed (L'OPINION, 6 Jan 82)	138
Collective Effort To Develop Community Analyzed (MAROC SOIR, 12 Jan 82)	143

JUSTICE MINISTER DISCUSSES ECONOMIC CRIMES

Algiers EL MOUDJAHID in French 18 Nov 81 pp 1, 3

[Article by Bachir Rezzoug and Halim Mokdad]

[Text] The preservation of the nation's economic patrimony, or what is popularly called "purification," personal status, and the family code, were the main subjects discussed in an interview with Mr Boualem Baki, member of the Politburo and minister of justice, given to EL MOUDJAHID.

There have been so many rumors circulating about the present and future scope of the reform campaign, and there has been so much misunderstanding about the law on personal status and the family code--not to mention so much legitimate worry on the part of women--that it was absolutely necessary to consult a veteran militant; a former deputy, a man who is serene, rigorous, open, and at the same time combative, when it comes to problems of political principles, while as a former legislative committee chairman he is accustomed to compromise and--this is especially useful for us journalists--accustomed to making his political, ideological, and (in his present position) judicial points in as few words as possible.

We approached these delicate and burning problems completely openly with Mr Baki. A lively interlocutor, he is engaging both as a human being and as a minister. The general impression one gets from the interview is that Mr Baki Boualem is a patriot through and through, one who would not know how to depart from his principles or to lie. We have so often been accustomed to the unfortunate gap between words and deeds.

The approach to the purification campaign, which consists of the step-by-step establishment of economic sections within the governorate criminal courts, shows the perennial and permanent nature of the operation. Every patriotic Algerian should be happy: What is at stake is nothing more or less than putting an end to the pernicious practices which little by little were leading the country to ruin, despite the resources our oil and natural gas provide.

While it may be difficult right now to speak of political or administrative ethics, there will come a time when it will be necessary to get to the truth about these modern "white-collar" criminals chastised more than 12 centuries ago by Omar Ibn El Khatab with the pithy question: "Where did you get all that?" All that wealth, all that power, and finally all that authority eventually led people to forget or

repudiate that compact which should exist between the public weal and the state and be embodied in sound administration, not bogged down in minutiae--inspiring because it sets the example for determined, serious, and thoughtful work.

The purification campaign which was launched a little more than a year ago is under way and proceeding with undiminished intensity. This is what Mr Baki Boualem told us yesterday. This news, which few people realize, seems important to us because it will deprive rumor of the chance to fill people's minds with insidious doubt.

As for the preservation of the national economic patrimony, that, as everyone agrees, was quite another story. The purification campaign concerns not only the future of our country but also our daily lives, our opportunities for socioeconomic improvement. Mr Baki is cold and unbending when he announces almost impersonally the number of trials that took place from 1980 to the last quarter of 1981 on charges of economic crimes. There were a surprisingly large number of such trials in the criminal courts, which are very soon to spread to all the chief towns of the governorates.

What is the role of the Ministry of Justice in this task of ethical reform and economic recovery? Mr Baki first states these truths: "The Ministry of Justice is determined to see that the law is respected everywhere in the country. Therefore, the law should remain strong." This opening shot is important because some swindlers have acquired a certain "following" by making what are clearly antinational assertions.

There has been no lack of speculation. But the fact is that the purification campaign has been launched. It is the first step toward getting things back in hand, or at least clearing up misunderstandings. The state is tranquil and sure of itself. Keeping up with events and important texts and carefully scrutinizing political statements and guidance are the best protection at this time against reactionary schemes.

In his initial statement, Mr Baki continues on the subject of purification: "Whoever dares to infringe on the freedom of the citizens, or freedom in general... is prosecuted and tried in accordance with the law, which is above everything and everyone." To speak even more bluntly: "There are no untouchables."

In the area of administration, the campaign is continuing apace throughout the country. In all the jurisdictions in the country, trials have been held of all those who are damaging the economy of the country by committing one of the acts proscribed by the penal code. Those are Mr Baki's words.

How can we deal today with this corruption which everyone has seen in the country? To paraphrase his answer, without quotation marks: Up to 1981, the only criminal courts that had economic sections were those in Algiers, Medea, Blida, Oran, Saida, Tlemcen, Setif, Constantine, Batna and Guelma. It must be admitted that these sections, which were shining examples to the whole nation, nevertheless in theory had to deal with cases arising in other courts.

"Since 1981," according to the minister of justice, "we have opened economic sections in other courts: Annaba, Ouargla, Tizi-Ouzou, Sidi-Bel-Abbes, Mascara Skikda. These new sections could be operational by the fourth quarter of 1981, or the first quarter of 1982 at the latest."

Many cases have been examined and tried by the economic sections of the already existing criminal courts. Mr Baki rather exhaustively enumerated these for us. The general tendency to refer to the assistant magistrate level cases presented to the economic sections of the criminal courts remains in force.

As an example, let us look at the court of Algiers: 10 cases were tried during the fourth quarter of 1980; 25 in 1981. The sentences? From acquittal to 20 years at hard labor. In the above-mentioned quarter of 1980 there were two 20-year sentences. In 1981, the sentences would be harsher. Penalties levied depend upon the offense, especially its severity and infamy. In 1980, 10 or 20 cases resulted in verdicts ranging from acquittal to 6 years. In 1981, 25 cases were tried in two sessions of the court, 18 of which resulted in verdicts of at least 10 years at hard labor, 12 in excess of 10 years, and 25 at least 5 years.

In Constantine the court was just as rigorous in 1981: out of 10 cases, there were 9 sentences handed down, ranging from 5 to 10 years. In 1980, at Oran, out of 7 cases tried, 6 sentences were handed down ranging from 5 to 10 years, and there was 1 life sentence (the case involved large-scale black-market currency operations and organized crime). In 1981 there was another life sentence and six ranging from 5 to 10 years. There were eight 5- to 10-year sentences in Medea. Batna, Guelma, Saida, and Setif did not have three trials for economic crimes in either 1980 or 1981.

Tlemcen and Medea, with well-established urban traditions, had a fairly large caseload during the same period: There were 5 to 10 trials that made national or local news and resulted in rather heavy sentences: 5 to 13 years.

But, behind this series of trials and indictments, is there some social phenomenon? Some characteristic feature of the urban and industrialized world? Mr Baki remains doubtful: Rural and urban life changed so quickly that the judicial system was unable to change rapidly enough to keep up.

How can we guard against the evils that are preying on the economy?

"The objective is to create an economic section in every court--31, in other words, as many sections as there are governorates," answered Mr Baki.

What kind of fraud are we facing?

"The economic cases we have had range from embezzlement by an APC [People's Communal Assembly] president or a simple communal employee to very high officials," Mr Baki replied.

Is there a distinction between mismanagement and fraud?

Mr Baki says right away that there is no intention of singling out managers. The purification is to be system-wide, from the smallest unit to the largest, without regard for the position of the one who committed the offense.

"Are there any untouchables? we asked him on an impulse. Mr Baki's response: "There are no untouchables; all citizens stand as equals before the law.

"All are judged on the basis of the duly established acts of which they stand accused."

Has the deterrent aspect of the operation borne fruit?

The minister of justice is categorically optimistic on this point. "In effect," he said, "we are seeing a new awakening of awareness on the part of administrators." The comparison is dramatic if one recalls that a few years ago such crimes were committed with impunity.

Were some managers convinced?

"There was some laxity (in managerial oversight). This campaign has had a deterrent effect. The situation is much improved. According to reports we have received, there is clear improvement," says the minister of justice.

He moved on to the question of determining in what geographical and sociological areas, and in what areas of urban and industrial development, economic crime flourishes. "There are cases of economic crimes throughout the country," he replies. "There are cases everywhere. This shows that there is a real purification campaign going on. In fact, there have even been major cases affecting the state-owned companies in Algiers."

Will the courts carry these cases to a conclusion? Even in cases which have stirred up public opinion? Mr Baki firmly refutes and rejects any implication to the contrary: The nature of the proceedings is clearly such that these major cases could involve very lengthy investigations that could be held up by the naming of rogatory commission and by requests for [the testimony of] experts and counterexperts. Then there is the fact that the authors of these economic offenses and crimes often had foreign connections: illegal trafficking in foreign currency, illicit commissions, failure to report transactions, etc. There follows a desperate struggle to hold on to middle-class respectability when one's hand is caught in the till....

In every way, even in the most revolting cases, the rights of the individual and of the defense are respected. This is what explains the fact that "some cases have undergone such change during judicial examination that the charges are more serious now than they were at the beginning." Mr Baki gives the example of an office where there was a diversion of 700 million in old currency. In the course of the investigation and testimony of experts and counterexperts and a rogatory commission, it developed that the office was at the time unable to account for some 2.5 billion.

The justice minister drew our attention to the problem of conducting such cases.

"But for us, today, we are not talking about simple mistakes. There is no lack of facts that can be verified to remove all doubt. Both in Algiers and elsewhere, proceedings are under way. Trials of some cases will be scheduled shortly," said Mr Baki, before reiterating his sense of satisfaction: "There is clearly an upswing in confidence. Administrators know that no one is prosecuted if his offense has not been clearly established. And no personal animosities are considered in bringing cases to the courts."

"Starting from the time," he continued, "when we proclaimed independence of our judicial system, we have insisted that this independence be maintained in all our

actions, and this is what we are doing. We are not going after administrators for little mistakes.

"The case is prosecuted only if the allegations are made by the appropriate organizational authorities, with supporting evidence (administrative investigation, accounting evidence...). We take action after a preliminary investigation, which is undertaken by the security forces. All legal protections are respected. And we do not, for example, act solely on the basis of a mere allegation."

"However," continued the justice minister, "there is the question of sound judgment. It must be admitted mistakes have been made." This criticism is directed at unscrupulous administrators who have not rid themselves of the idea that they were free to do anything they wanted and that, taken to an extreme, a simple administrative mistake constituted an offense. "In cases where it was simply Mr Baki continued, "administrative disciplinary measures are provided; but in case there is an offense, a misdemeanor, or a crime of an economic nature, it should be handled by the judicial system. There is a clear distinction between administrative error and criminal infraction."

And what about cases where the official wants to shove aside bureaucratic taboos in order to act more quickly to achieve better results? One cannot judge on the basis of intentions, at the start, Mr Baki answered.... "There are administrative regulations which must be respected, regulations designed to protect the patrimony of the state. A good administrator does not have the right to transgress them. There is some freedom of action in administration, but it does not go so far as to infringe on the legal regulations which govern administration."

He mentioned in passing the unlawful assistance given foreign companies to evade the tax laws.

"The reason middlemen were proscribed was to put an end to illegal commissions," he said in answer to our question about the hard-currency commissions received illicitly by some people.

Lack of political conscience: "There is a sort of perverted thinking, a spirit of evil which was fanned...bourgeois ideals among the rank and file....," Mr Baki explained. He continued with still more fervor: "One must know how to think and act as a committed socialist; one must have self-respect."

Will there be investigations of illicitly acquired fortunes?

"That is a political decision," answered the justice minister, who noted that "the courts have not slowed down, they have not stopped, and they will not stop until there are no more offenses to be tried. As long as there are offenses, the judicial system will do its job."

Some people did have the chance--during the period of economic development which gave rise to this phenomenon of rapid and illicit enrichment--to make their fortunes unscrupulously, Mr Baki explained. "Administrators are not the only ones to have done this; there are also those who stay close to them (entrepreneurs, for example). There was a time when people did not have to worry about trials." Today, however, the machinery is in place. Strictness is the order of the day.

9516

CSO: 4519/66

PERSONAL STATUS LAW, FAMILY CODE DISCUSSED

Algiers EL MOUDJAHID in French 19 Nov 81 pp 1, 3

[Text] "In presenting the law on personal status to the APN [National Popular Assembly], we followed normal procedures." With these opening remarks, Mr Baki set the tone for discussion of an especially controversial subject: personal status.

It may be necessary to recapitulate the events that give rise to the dynamics now surrounding the law on personal status. The amalgamation is an easy one, but while the most recent text has emerged from the political arena--the party and the mass organizations--the other one depends on legislation, at least in that it must go through the APN machinery.

Mr Baki, a member of the Politburo and the minister of justice, is formal: "The draft is formalized at the executive level (of the ministries concerned), then discussed at interministerial meetings, and presented to the government, which approves it before presenting it for discussion and adoption."

For Mr Baki, the personal status law is not the only one that touches on individual liberties. All laws, all codes, touch on individual liberties. Personal status, which is not the family code, is no exception to this rule.

A parenthetical remark is necessary at this point: In the eyes of many people, personal status and the family code are a single reform. Mea culpa: journalists have considered the law from the point of view of a family code that would itself go beyond the juridical problems of a married couple and grapple with the problem of how society is organized.

Mr Baki explained that the personal status code covers all actions relating to family life with respect to marriage, divorce, inheritance, as they are presently handled by our courts.

The personal status code fills a juridical gap in that domain. It also tries to bring together the decrees handed down by various magistrates and various courts in their interpretation of the principles of Muslim law, as called for in the first article of the civil code.

Now, with regard to personal status, there is a total absence of statute law, and it was to put an end to these different analyses or interpretations that the

proposed code was decided upon and elaborated. So it is a question of form. From this point of view, there are no grounds for criticizing the approach adopted.

From the point of view of content, the proposal falls within the progressive line followed by our country, Mr Baki said, adding: "This bill contributes to the emancipation of Algerian women, to the preservation of their rights with respect to marriage and divorce, and to the termination of all practices in this domain that have no basis either in our religion or in our healthy traditions. The bill respects both the orientation of our national charter and the principles articulated in the constitution."

Mr Baki continued: "It is a bill which helps the Algerian woman." The justice minister cited the fact that in his own sector there are "210 female magistrates--a not insignificant figure out of a total of 1,400 magistrates. We have no hangups on that score," said Mr Baki.

He continued: "I do not understand why women are worried," because "it was a deliberate choice to insist on the emancipation of women as provided in the texts."

After pointing out that Islam stands on a level with the constitution, that it is the state religion, Mr Baki noted that "the rules of the Muslim religion have been interpreted in the code in the most open and most progressive way."

Mr Baki continued by pointing out that these laws cover polygamy and divorce in order to protect the rights of women in this domain...and limit the abuses seen (in this domain) in order to eliminate them.

Mr Baki's desire is to see women gain a better understanding of the problem before making up their minds. "The reactions of women are unjustified," he explained. He continued: "There should not be any confusion between the rights of a woman and her duties" as a citizen, and her rights as a spouse. Marriage is a social contract which implies obligations for both contracting parties.

The labor law is enshrined in the constitution. "This bill," Mr Baki maintains, "does not encroach on that law."

All these explanations ultimately are fairly convincing, but everything gets very vague when the subject turns to the family code. Mr Baki explained once again that the family code "has not been elaborated by the judiciary, for the simple reason that it is more political than juridical by its very nature."

Mr Baki's comment: "It is a mistake to think that the family code is confined to the problem of marriage."

We asked Mr Baki a question concerning the very broad and loose interpretation of the Qur'an which is being practiced almost everywhere. His answer: "That interpretation is more open to progress than anachronism and reaction."

9516

CSO: 4519/66

UNFA MAKES KNOWN VIEWS ON LAW OF PERSONAL STATUS

Algiers EL MOUDJAHID in French 25 Nov 81 p 1

[Text] Algiers--The work of the corrdination committee of the National Popular Assembly responsible for examining the bill on personal status continued Thursday afternoon under the chairmanship of Mr Ahmed Metatla, and the meeting was attended by a delegation from the National Union of Algerian Women (UNFA).

Mrs Fatma-Zohra Djeghroud, a member of the Central Committee and secretary general of UNFA, gave a presentation to the committee on the subject of issues relating to engagements, dowries, marriage, the right of women to dispose of their own property as they please, polygamy, child care, inheritance, and allowance for board.

In her presentation, the UNFA secretary general laid emphasis on the importance of this legislative proposal, which is essentially intended to organize the basic unit of society, and to do so in such a way that this unit reflects favorably on society as a whole.

Following her remarks, a long debate was held between members of the committee and the UNFA representatives, who responded to several observations and questions volunteered by the deputies.

9516

CSO: 4519/66

MARXIST GROUPING PARTY CALLS FOR CLEAN SWEEP OF POLICIES

Beirut AL-SAFIR in Arabic 19 Jan 82 p 11

[Article: "Political Report of the Central Committee of the National Progressive Unionist Grouping Party"]

[Text] In today's issue, AL-SAFIR is publishing the full text of an important political document, the political report which the National Progressive Unionist Grouping Party's Central Committee issued on 19 November 1981, containing the party's views in full of the stage following Anwar al-Sadat.

The document, which may be the most important political text of the Egyptian left since Husni Mubarak assumed the presidency in Egypt, presents an integrated action program both in terms of the nature of relations with the authorities and in terms of public political issues, through what it calls the "national salvation program."

In any event it contains the party's special conception of the current stage, and AL-SAFIR is publishing it for thorough reading and discussion.

1. President Muhammad Anwar al-Sadat's assassination on 6 October was a tragic end to a crisis in the regime that had reached its apex with the 3 September 1981 decrees. These were the decrees that the former president had issued detaining 1,536 party opposition leaders, comprising all tendencies without exception as well as a number of religious leaders, and including the suspension of some opposition newspapers and magazines and the removal of 67 persons from the press and the media and 64 university professors, transferring them to jobs unrelated to their fields of specialization.

The government's use of these exceptional, undemocratic measures to cope with its opponents underlined -- as did the assassination, the factional events that preceded it and the acts of violence that followed it -- the fact that the phenomenon of violence and reactions of violence had become widespread in the society in a manner threatening the essence of society itself.

Our party condemns political assassination and is confident that that is not the way to bring about the goals of society. The role of the individual, whatever his position at the apex of power might be, is conditioned by the circumstances in which the society is situated and the relations that exist among various social forces and classes. Merely removing an individual from the apex of power will not change society, and will not change the regime: it could lead to changes in policy and programs one way or another.

Our party believes in constitutional legitimacy. It believes in political dialogue, freedom of expression, and freedom of democratic political action as a means for change, since it believes that it is the masses that forge the future, and that our party must exert unremitting effort to convince these masses that we defend and sincerely express their interests, and that to that end we are striving to have everyone join our ranks who is able to work to achieve the masses' goals of freedom, socialism and unity, all within a framework of democracy which gives all social forces and their national and people's parties equal rights and resources guaranteeing them freedom of expression and freedom of political action.

This faith we have in the masses, who are the party with an interest in progress, prompts us to condemn all forms of violence and reactions of violence.

2. The assassination of the former president and the acts of violence that followed it raised two basic questions which have stirred up great attention among the masses of the people. These are:

A. What will happen after al-Sadat's death?

B. Why the phenomenon of violence and reactions of violence, and how to get rid of it?

The question what will come after the death of al-Sadat is a true articulation of the masses of the people's deep awareness of the nature of the political system we are living under. It is a system that has given the president broad powers which in practical terms often exceed the authorities and jurisdictions of all institutions of the state, especially in a situation where restrictions and limits on the multi-party system have proliferated. This is what experience has revealed in the course of the last 6 years. Thanks to the real, unlimited powers which the president enjoys, in light of total monopoly of the media and the insulation of the masses of the people from other opinions, the former president carried out numerous measures and initiatives and issued a number of laws that led to a change in the official face of Egypt. While Egypt had been in the leadership of the nonaligned movement, its strategy began to be integrated with the global strategy of the United States of America -- indeed it insisted on demanding that this strategy be realized. While Egypt had been the basis and focus of Arab solidarity against imperialism and Zionism, it relinquished its position of leading the Arabs, and Israel came to appear to be its only friend in the region. While Egypt had started to achieve independent economic and social development, and public policies had been striving to respond to the needs of the working masses, policies were followed which flooded the country with debts, weakened domestic industry, broadened differences among classes, and ended up with the emergence of a group of millionaires relying on nonproductive, parasitic activities accompanied by corruption and the spreading of corruption. Patterns of provocative luxury imports and consumption which were harmful to the domestic economy spread, cultural and intellectual output declined, the pattern of social values changed, individual values were emphasized at the expense of the interests and the values of society, enrichment at any price became a legitimate attainable goal, and, among many people, the feeling of belonging to society was shaken -- all this through an intensified media blanket which preceded and accompanied all these changes, prepared the way for them, defended them and justified them. However, this all pushed the country toward a general crisis in all political, economic, social and cultural fields as well.

It is the intensification of this crisis that explains the people's extreme interest in the advent of the new president, because he is aware of the effective, influential role of the head of the state on the country's political system.

What is certain is that the national and democratic forces, which on this subject express the masses' views, do not demand of President Husni Mubarak a miracle or miracles that will solve the crisis overnight. However, they do demand of him acts that might of necessity be limited in the early stages but will be of the kind that will open the way to decisive solutions to this crisis. No two people will disagree over the fact that these solutions will become apparent and reveal themselves only through pursuit of the broadest dialogue in which the broadest national and democratic forces in the country will participate. However, holding this dialogue, and consequently making it a success, demands, as an urgent obligation, that the phenomenon of violence and reactions of violence be challenged and inhibited, preparatory to its elimination by the roots from political life in Egypt.

3. The phenomenon of violence:

Our party, as it has asserted more than once, condemns violence as a means for solving political disputes, because the sequence of violence, and reactions of violence, can destroy the integrity of society, destroy its fabric, weaken its national unity, distort political life, spread about backwardness and isolate the country from the course of human progress. The party does not argue that it is necessary to stand up to acts of terror with the utmost determination, and it calls upon all forces to help work to get rid of violence, each according to its position, abilities and resources.

Our party supports President Husni Mubarak's call for remedying this phenomenon at the intellectual and political levels. In the intellectual context, it is possible to arrive at the real reasons that might lead to the emergence and growth of the phenomenon of violence in the political context, and it is possible to spell out the true democratic means by which the people, represented by their various parties, unions and social organizations, can isolate the proponents of violence and thwart their schemes.

Security measures, by themselves, can only be temporary and of limited effect in eliminating this phenomenon. The unfeasibility of reiterated formal talk about the role of the religious institutions and youth institutions has been proved by the events of 1974, 1977 and 1981, for a simple reason, which is that this talk has not faced up to the political, social and cultural conditions that led to the emergence of violence in society.

Our party believes that violence is a social phenomenon which requires comprehensive treatment if the disease is to be pulled out by its roots. Since in-depth studies of the phenomenon of violence require time, and since our party has been most intensely concerned to participate in remedying this social phenomenon, we consider that it is our duty to set forth some points which we believe to be of significance concerning the reasons and circumstances of the emergence of this phenomenon.

Our party considers that a group of factors, some internal and others foreign, has led to the growth of the phenomenon of violence and reactions to violence. These factors, in their totality, are:

- A. The domestic political climate.
- B. The economic and social setting.
- C. Practices that had been a source of provocation of nationalist and religious feelings.
- D. The inflammation of religious and factional struggles in the area.

A. The domestic political climate:

The Arab Socialist Union was the sole legitimate framework for political activity in the first half of the seventies. The groups, as always, were a vortex of political activity. At that time, the student base, which had emerged into awareness in the society of 'Abd-al-Nasir, was in general made up of people from ordinary social classes that had been given an opportunity to acquire the university education they had been dreaming of. This base, especially the politically active elements within it, rallied about leftist currents at that time, and, within this state of affairs, the media began to cast doubts on the achievements of the 23 July revolution and to attempt to destroy them gradually and in an unmistakably escalating fashion. In the context of this media climate, and in the state of student political organization, some official media encouraged some religious groups to stand up to leftist currents among university students; in the place of dialogue, these groups used small arms, and, with the deliberate inattention of some official bodies, managed in a terrorist climate, to take over all student federations after the official bodies had deprived other political bodies from exercising their right of political action within the universities.

Thus violence began among the young people in the universities, and, along with it, the propagation of "religious slogans" to confront the political slogans that had been current in 'Abd-al-Nasir's era. Hints at renouncing that era began, and charges of apostasy began to be levelled in the political struggle. When the weapon of renunciation is used against political opposition, the logical breakdown of events leads to the renunciation of people with opposing beliefs, then to the renunciation of the society that does not respond to the minimum demands of life for young people, and this renunciation perforce extends to embrace the people watching over that society.

Some media campaigns exploited the effects of the June 1967 defeat to cast doubt on all the political principles, ideas and positions and economic and social orientations on which this generation of young people was raised. This shook the feeling of national and domestic identity and belief in the value of productive labor among many of them, especially under economic conditions that did not permit the attainment of a minimum of their demands; the realization of their future and their hopes was no longer linked to the hopes and interests of their nation and their people; the phenomenon of emigration became widespread; and flight in all its forms came to express the attempt to emerge from this maze. Thus the phenomenon of introversion worsened, as did the emergence of closed groups boycotting and renouncing society, and it was not long before attempts to deal through violence began to appear.

Events of violence followed in succession, beginning with spontaneous attacks on police posts in al-Sahil and al-Sayyidah Zaynab in Cairo and the Bila incidents.

At the time, the press characterized them all as "unfortunate incidents," in an attempt to conceal their causes and hide the true facts behind them. Then came factional incidents of a character that in itself must be considered new to our society and a threat to its unity; the latest of these were the incidents of al-Zawiyah al-Hamra'. In addition, the masses' emergence in January 1977 to express their rejection of the decrees the government had adopted were marred by some acts of violence that were alien to their movement.

These episodes were accompanied by two serious incidents that had a significance that could not be ignored -- the Military Technical incident of 1974 and the kidnapping of the late Shaykh al-Dhahabi in 1977. It was revealed that secret political societies were behind the two episodes, "propagating religious slogans." The matter ended with the execution of some people and the imprisonment of others, but no serious attempt was made to seek out the real causes of these phenomena and attempt to remedy them.

Finally, the assassination of the former president, and the incidents of violence that followed it in Asyut and elsewhere, had a large number of civilian citizens and security personnel as their victims and nearly led the country into a bottomless pit of violence and reactions of violence.

While we are talking about the political factors that led to the growth of the phenomenon of violence in society, it is worth pointing out that the democratic resurgence that occurred in 1975-76, ending with the establishment of the parliamentary podiums, then the parties, remained limited and was not destined to have a long life. It imposed an arbitrary form on the pluralist system: a party of the left, one of the right and a third of the center. As a consequence, broad political and social forces remained outside the intellectual and organizational framework of the parties whose establishment was permitted, and this weakened confidence in the fledgling party experiment. From the practical point of view, it deprived many people of the right to establish parties in the context of a constitutional legitimacy which was under the surveillance of public opinion, and doubts about the feasibility of the party system increased, especially after this system became the victim of the restrictions added to the Law on Parties and measures were taken against some professional unions that eliminated their independence through interference in their elections and the formation of their boards. The issuance of exceptional laws followed in succession, tightening the noose about the opposition, and referenda were used in going over the head of the legislative institution and imposing laws that were not in keeping with the spirit of the existing constitution.

Thus, in the framework of this political climate, public opinion in our country managed to become aware at the proper time of the scope of the phenomenon of violence and reactions of violence and its broadening scale. There is no stronger evidence for this than the facts and statements by some officials which the Egyptian press started to publish just the day after the assassination of the former president.

Some of these facts alone were sufficient to warn of the danger that was present and indeed to determine the democratic measures that would guarantee that the danger was faced in all political, economic, cultural and social areas.

B. The economic and social setting.

The issuance of successive laws and decrees to carry out the economic liberalization policy impeded the advancement of any development plan. These laws put an end to the

possibility of setting out a balanced economic policy and resulted in fragmentation of the public sector and termination of its leading role, paving the way for the emergence of an economic class, existing autonomously within the domestic economy, that was in fact an extension of international capitalism in the form of free towns, companies or branches of foreign companies or in the form of joint companies with local capital.

The liberalization policy led to a basic orientation toward import and export commerce which was founded on the importation of consumer and luxury goods realizing large rapid returns. Specific branches in the services sector, such as tourism, banking and contracting, also became inflated; all investment that had weight in the field of basic industries which by their nature do not realize such a rapid return was neglected. In the context of these conditions, large dependent parasitic merchant capitalism arose; its interests became contradictory even with productive domestic capitalism and were interlinked with international capitalism. The appearance in a few years of millionaires without effort worth mentioning, and without understandable cause, became one of the prominent characteristics of the era. Financial and administrative corruption which helped produce these fortunes became widespread.

These policies led to an inflation of an annual average of at least 30 percent, a rate whose cause could not just be inflation; this exceeded all increases in the incomes of ordinary classes and led to their further impoverishment.

The style of luxury consumption in which the new class became inundated as a result of its entry into fiscal legitimacy was accompanied by provocative phenomena which shocked the masses whose incomes were limited. These masses ceased to be able to balance their basic requirements with their revenues if they wished to preserve their religious, moral and social values.

The structural changes that took place in the domestic economy in the name of liberalization brought us a society in which the 5 percent that had the highest incomes obtained 22 percent of the national income while the 20 percent that had the lowest income acquired 5 percent of the national income.

There is no doubt that these basically oppressive conditions afflicted the workers and peasants, but they also forcefully afflicted the lower and middle strata of the middle class, a class which since the beginning of this century had been struggling in the first ranks of the national movement. What happened was that the people in these social groups, with the social, political and economic circumstances that surrounded them, found themselves caught in a dilemma from which they could not extricate themselves. Unable to achieve their minimum requirements for making a living, in the form of work, food, clothing and housing, they felt that the values and models on which they were raised did not offer a way to meet their legitimate needs. If to that we add the difficulties they met in articulating their sufferings and taking part in adopting the decisions that would affect their futures, we will realize how truly easy it was for them to become repressed as victims of the forces hiding behind "religious slogans" to achieve political aims through violence.

We do not in principle reject foreign investment in the areas spelled out in a comprehensive development plan, if that is in accordance with the priorities of that plan and under the control of the public sector. We do not want Egypt to restrict its dealings to a specific bloc to the exclusion of other countries of the world, as some

people imagine. However, we reject the changes the liberalization laws have brought; these changes conflict with the economic values of the society as spelled out by the constitution and will result in bring us into the abyss of dependency.

Our party promotes the slogan of independent development in accordance with the values spelled out in the constitution.

C. Practices that had been a source of provocation of nationalist and religious feelings:

When the Camp David agreements were signed, our party opposed them on grounds that they infringed Egypt's sovereignty over Sinai, again infringed sovereignty when they imposed the normalization of relations even before the evacuation of the Israeli occupying forces and delayed and postponed the resolution of the Palestinian cause, which is the cause of an Arab people who want to regain their land, determine their destinies by themselves and establish their independent state, because these agreements gave the United States a dominant role in the Arab region, with all the dangers this role entailed.

Officials at that time tried, as the media tried, to offer public opinion all types of political arguments to win it over to the Egyptian-Israeli peace treaty. This is understandable, but what were not understandable or justifiable were the means pursued to justify the treaty after it was signed, in circumstances in which opposite views were suppressed. Here we will content ourselves with mentioning just a few examples:

First, following the signing of the peace treaty, Israel kept adhering to all positions that were stubborn and provocative to Arab nationalist and Islamic feelings. It declared Jerusalem to be its united capital, continued to expand construction of settlements by design, as a deliberate challenge, and continued to pursue the policy of repressing the Palestinians within the occupied territories and committing aggression against them in Lebanon with the goal of liquidating them. However, none of this met with a suitable response from the Egyptian negotiators.

Second, the Egyptian negotiators continued to offer concessions whenever the negotiations faltered in the face of Israeli intransigence.

Third, more serious than all that, the government sought recourse in some religious institutions in order to give justifications for concluding the peace with Israel. This confusion of religion with politics shocked many religious people who rejected the establishment of Israel from their own religious premises, not to speak of the overwhelming majority, which does not agree that a country should be established in our Arab region on religious and racist foundations.

Fourth, after the signing of the peace with Israel, the local press launched an intensified media campaign in which it did not content itself with defending the treaty but in a number of its articles went so far as to demonstrate that Israel was historically in the right. Indeed, articles reinforcing this opinion carried arguments which were said to have been based on religion. Subsequently, it was not surprising that the issue of bring Nile water to Israel should be presented -- a matter which from the first moment clearly met unanimous opposition from every citizen in Egypt.

Fifth, although we did not object when proper relations were established between our country and the United States of America, as a consequence of the signing of the peace treaty with Israel America acquired a distinctive, privileged economic and cultural position in our country. Matters did not stop there: after that, there came the announcement that what were known as military facilities would be given to American forces in the Ra's Banas area. This was justified on grounds that the facilities were not traditional bases, but it was clear that the anxiety of our people, who had stubbornly resisted all forms of foreign military presence in Egypt in the course of their combative struggles, multiplied many times over when these facilities were granted.

D. The inflammation of religious and factional struggles in the area:

In the seventies, as one of the effects of the 1967 defeat, the Arab nation observed that numerous domestic struggles of a religious and faction nature began to be inflamed. We cannot attribute these struggles to foreign intervention alone, or we will fall prey to a well-embroidered simplification which will conceal their true nature from us.

Consequently that will prevent us from overcoming them. There is no doubt that foreign hands played a part in increasing the severity of these struggles, but there are objective reasons behind these struggles before anything else.

Within the Arab nation there are indeed disputes among religions, and among numerous sects within individual religions. Nonetheless, the mere existence of these disputes does not justify recourse to violence to solve them. This is the expensive lesson that the history of the Arab liberation movement teaches us: the escalation of this movement after World War Two, reaching its peak in the mid-sixties, placed slogans of freedom, socialism and unity in the forefront; these slogans transcend religious and factional disputes and make citizenship the basis of political society and the foundation of the resolution of social questions. However, in the light of the June 1967 defeat, conservative, reactionary, secessionist and separatist forces managed to raise doubts about the feasibility of the slogans of national and economic independence and slogans of Arab nationalism and unity, thus giving religious and factional contradictions a chance to appear on the surface and again positioning the issue of national identity relative to the masses of the Arab nation. This was accompanied by the presentation of a new theory on the region, propounded by imperialist and Zionist circles, based on the fact that the Arab nation does not constitute a coherent national unit but is composed of groups of minorities, that its problems arise from the lack of awareness of this composition or attempts to ignore it, and that the proper solution lies in dividing it up again politically on this basis - for example, by establishing a Maronite state, a Druze state, a Kurdish state, and so forth. If the Arab nation is fragmented and the Arab liberation movement is eliminated, the existence of Israel will be justified and acceptable, on grounds that that is a state founded on the same traditional and religious bases.

However, theory alone is not enough: the theory must be put into practice; this is what the imperialist circles and their allies in the Arab nation have actually done. Bloody fighting broke out in Lebanon in 1975, factional conflict has expanded in Syria, the Barber issue has emerged in Algeria, and from time to time problems have arisen between the north and south of the Sudan. The foreign aid that is given to inflame the bloody struggles is no secret to anyone. It was necessary that Egypt be afflicted and that for the first time in our history we should hear people allied

with imperialism and Zionism in the leadership of the Maronite separatist movement declare their responsibility for protecting the Copts of Egypt, who are part of the fabric of Egyptian society and have a role in the Egyptian national movement. What no one could ignore, and what we ought to have expected, was that the same bodies that supported the factional struggles in the various areas of the Arab nation should have striven to stir up this kind of struggle in Egypt. More than one Egyptian magazine pointed out after President al-Sadat's assassination that foreign forces were standing behind the factional strife and supporting it financially.

These negative conditions in the Arab nation have undoubtedly helped incubate violence, indeed in particular have helped incubate it within the context of the dominant currents, sometimes on the excuse that Islam is in danger and that the eras of the Crusaders and Tatars have returned, sometimes on the excuse that the Copts face a scheme to exterminate them or compel them to renounce their beliefs.

Consequently, our party considers that these main factors, in their interconnected and interlinked form, taken as a whole, are what have nourished the tendencies toward violence and reactions of violence in society.

What is the solution?

While the urgent task now is to stop the acts of violence and reactions of violence and contain them, the basic task is to bring the country back to a normal situation where democratic methods of political struggle will prevail and dominate among the various forces. The restoration of this condition will provide firm guarantees for the extripation of violence.

These urgent obligations - that is, stopping the violence and reactions of violence - and these basic obligations - that is, bringing the society back to a democratic state - lie on the shoulders of the existing regime on the one hand, and also on the opposition parties and political forces on the other.

They lie foremost on the shoulders of the regime, because that is expected to play the main role in stemming the sequence of violence and violent reactions, on grounds that the government must act and move from the premise that all exceptional laws or measures will block the basic freedoms of the individual and the group and that they are not and cannot be the proper approach to a solution of the crisis society is suffering from -- in fact, their continuation and reiterated issuance, from the practical standpoint, will constitute one of the two elements in the sequence to which a limit must be put: the sequence of violence and the reactions of violence.

In this regard, the opposition parties and political forces bear a special responsibility at the same time: their responsibility is carefully to define the practical slogans that, through their responsiveness to the interests of the nation and the people, can pave the way toward solving the general crisis of the country. They must also propose means that will enable the broadest segments of the masses of the people and all national forces to grasp the keys to the solution in their hands.

Our party is convinced that the contents of its political program, as approved by its first general national conference in April 1980, contains the radical solutions to the major problems of Egyptian society.

At the same time, the party is convinced that the demand for consummation of this program is not the relevant issue now but rather that what is relevant is what can be given the title of a "national salvation program" -- a program that will open the door for the masses to perform an increasingly broad role in discussing and participating in setting forth the policies that will place the country's steps at a clear, specific beginning which will bring the society out of its general crisis.

At the same time, our party is also convinced that setting forth this program and achieving the broadest national agreement on its major points is not an impossible matter but that it is possible, for two reasons:

First, the people, through their national and democratic forces, since 1977 in particular, have not stopped moving and, through the slogans they have raised, declaring their desire for change.

The fact of the matter is that the nationalistic masses of the people have not ceased to oppose all policies which they have considered to be contradictory to their interests and their national and domestic hopes. They have expressed that through spontaneous movements at times and through their unions and political parties at other times. For example, the working class has defended the public sector, the peasants have defended their cooperative societies, and the intellectuals, in their professional unions, have opposed the laws and legislation that restrict freedoms. Over the past 3 years the united action front has extended among numerous political forces that differ in their intellectual and social positions. In brief, the movement of the masses has oriented itself toward demanding a return to the policy of nonalignment, the granting of basic freedoms, rectification of the course of the economy, and limitations on the rises in prices. They have also demanded that Egypt return to the Arab ranks.

Second, President Husni Mubarak, from his position in power, has, in his statements after assuming the presidency, then in his statement before the People's and Consultative Assemblies, presented a number of major issues whose presentation constitutes a response to the masses' hopes and desires for change.

We know that it is the people's movement for change that of necessity decides and ultimately constitutes the directions and extent of change. However, we also know that the position of the president in our country enables him to play an important, influential role in hastening change to the extent to which he responds to the hopes and desires of the masses. For all these reasons, our party, on reading over the declarations and statements mentioned above, has, from a position of a feeling of responsibility, determined that President Mubarak has set forth what the party at the time considered a new style of government. President Mubarak has presented and declared the need to respect differing opinions and has expressed his appreciation for the role of the opposition. Discussions on matters of differences in opinion are conducted through thought and objective discussion. President Mubarak, from his position of awareness of the complications and problems that hedge the economic situation about, has spelled out a number of economic problems and expressed his readiness to listen to different points of view on these matters.

In regard to facing up to the phenomenon of violence, the president has specified that security measures to remedy the phenomenon are only a part of the measures; their basic feature is intellectual and political action.

In the abovementioned statements, the president set forth a number of general principles, including:

Increasing production, striving to eliminate the effects of consumerist liberalization, and combatting corruption.

Attaining democracy through further democracy.

Protecting Egypt's unity through the premise that Egypt must remain united for all its people, Moslems and Christians.

To this end, our party presents the national and democratic forces, their differences notwithstanding, the draft of this program:

Draft National Salvation Program

In spite of our belief that rising to confront violence and reactions to violence constitutes the urgent task, this phenomenon in the last analysis still is only an expression of the crisis society is facing. To this end, the main task has become one of carrying out a program that will bring the country back to a situation in which democratic dialogue prevails, in the following manner:

First, conducting democratic transformations that will protect and expand the citizens' basic freedoms and rights and enable the masses to take part in making political decisions and overseeing the institutions of government.

This will require:

Eliminating laws that are restrictive of freedoms and conflict with the constitution and the International Declaration of Human Rights.

Respecting the citizens' right to party affiliation and refraining from subjecting citizens to oppression because of this affiliation.

Removing the restrictions that have been imposed on the establishment of parties and their right to issue their press and exercise their activities.

Getting the government to commit itself to treating all parties on a basis of total equality and evenhandedness, especially as regards the parties' right to use the official media and the nationwide press.

Stopping administrative interference in the affairs of labor and professional unions.

Prohibiting the prosecution of citizens for their party and trade union activities.

Releasing the members of national and political forces who have been detained, upon whom the investigation by the socialist public prosecutor has been completed, and proof of whose participation in the acts of factional violence, as was stated on 3 September 1981, the day the order detaining them was issued, has not been established.

Releasing the detainees who were detained following the assassination of President al-Sadat, against whom no charges related to the acts of violence have been directed, and who have been brought before no judiciary body.

Returning university professors and journalists who were banished from their jobs in September 1981.

Discussing all political cases pending with state security agencies, so that no sword remains hanging over the heads of people in the opposition.

Adopting the principle of pluralism in giving opportunities for all forms of intellectual activity and artistic innovation in order to enable lofty human values to express themselves in all spiritual, national and social fields and fighting degenerate cultural positions which call for violence, racism and fanaticism and spread about notions that are at variance with our national and domestic traditions.

Second, immediately starting to correct the economic course in a manner that will enable the country to advance along the road of independent development. This will require:

Evaluating and studying the policy of economic liberalism in order to do away with its negative results and setting forth policies that will increase production.

Supporting the public sector so that it may reacquire its leading role in the domestic economy.

Supporting the planning and surveillance agencies.

Protecting domestic industries and protecting the productive private sector.

Setting forth policies that will guarantee that the effects of inflation are limited and striving to set prices and continue subsidizing the basic commodities required for common consumption.

Setting a limit to the spread of luxury consumption patterns in confronting the corruption that parasitic groups have spread.

Putting priority in housing policy on common housing.

Third, returning Egypt to its status and leading role in the Arab world. This will require:

Mobilizing and supporting all popular and official initiatives to establish normal relations with our Arab brethren.

Refusing to be bound to any commitments on the road to resolving the Palestinian cause in which the Palestine Liberation Organization, the sole legitimate representative of the people of Palestine, does not take part.

Resisting all colonialist and Zionist schemes to entice Arab countries into armed struggles among themselves.

Fourth, protecting the independence and sovereignty of the nation. This will require:

The return of Egypt to its pioneering place in the nonaligned movement.

Establishment of balanced relations with the great powers.

Cooperation with all countries of various systems for the sake of construction and progress on a basis of equality and nonintervention in domestic affairs.

The alienation of Egypt from the arena of international conflicts, so that it may remain far removed from military alliances, bases and facilities in order to protect its independence and avoid the dangers of nuclear war.

However, our party at the same time realizes that no matter what the difficulties might be, a serious dialogue on the points in this program and the participation of the broadest segments of the masses of the people in it is the true guarantee for keeping the country free of dangerous turns and setting its feet firmly on the road to building a society of freedom, socialism and unity.

The tasks of the party:

The struggle to establish the broadest dialogue on the draft national salvation program will require that party members accomplish the following main tasks:

First, to exchange opinions with the broadest political and social forces in Egypt on serious issues that will guarantee that the way is blocked to the expansion of the phenomenon of violence and terror, proceeding from an awareness of the gravity of this destructive phenomenon, not just for all democratic action but also for the cause of progress in Egypt in general.

Second, to establish various forms of alliance with all forces which confirm, especially following the recent events, that democratic liberalization and empowerment of the masses of the people to exercise their political, party and trade union freedoms are the only alternative that is able not just to absorb the combative powers of the masses and unearth and isolate all terrorist or destructive tendencies but also the natural atmosphere to guarantee that progress is attained in the realm of protection of our national and economic independence.

Third, in the face of colonialist schemes aimed at coopting our country and turning it into part of the terrain of the struggle that hostile circles are preparing for it, one of our party's basic duties is to mobilize all its political mass and organizational powers to erect a great popular barrier before these conspiracies in which it will form alliance with all nationalist forces of our people that reject these schemes and struggle so that Egypt may proceed in the direction of positive neutrality and nonalignment, indeed so that Egypt, in accordance with its fighting heritage, may once again be a base for this tendency, for all countries struggling for their national sovereignty and protecting their peoples from being fuel for destructive nuclear or neutron wars.

Fourth, our party, while emphasizing its conviction that the cause of Palestine, as a nation and people, is the axis of the struggle in the region, is aware that its role in having the joint Arab struggle support the Palestine Liberation Organization, the sole legitimate representative of the Palestinian people, can resolve this issue not just in favor of the Palestinian people and their legitimate rights but also in favor of **establishing** a just comprehensive peace in the whole area. This is the correct means for restoring stable Egyptian-Arab relations.

Fifth, while blatant inflation, the spread of corruption and exploitation of the livelihood of the people are a manifestation of the economic crisis in our country, we realize that the issue will basically always remain one of protecting independence and directing its fruits for the sake of the productive forces.

In this realm, our party must call on all the forces that are interested in protecting this independence and establishing an Egyptian economy on the basis of a comprehensive development plan, and in combatting the terrible growth of unproductive parasitic elements, to join forces on behalf of making the Egyptian economy work for the Egyptian people.

/Signed/ The Central Committee of the National Progressive Unionist Grouping Party

11887

CSO: 4504/176

NATURE OF DOMESTIC SUBSIDY PROGRAM REVIEWED, PROBED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 677, 4 Jan 82 pp 11-12

[Article by Mustafa Imam and Jamal Zayidah: "Why All This Fear about Subsidies?"]

[Text] Subsidies are a complex and multifaceted economic problem. They began to appear in the government's budget in the early sixties with the subsidization of just three commodities, and, in about 20 years, expanded to encompass about 50 goods and services, on top of subsidies of money-losing public sector companies, some service authorities, and different other types of indirect subsidies. Thus subsidies have spread out through the structure of the Egyptian economy to the point where it has become difficult accurately to determine their scope.

Our main query is:

What are the facts about the large, terrifying figures on these subsidies?

What recommendations are there for resolving this complex economic problem?

The Scope of the Subsidies

Thus, as a consequence of the large figures on subsidies that have appeared in the government budget, efforts to guide subsidies have been continuous, and, in spite of the numerous discussions and recommendations that have been presented on that subject, we must, at the outset, review an important issue, which is the means for determining the scope of the subsidies, especially since numerous elements have contributed to inflating the figures on them.

A study that a committee of ministry economic experts and officials prepared under the chairmanship of Dr Hilmi 'Abd-al-Rahman, former minister of planning and consultant to the prime minister, has set forth a number of concepts for determining the volume of subsidies.

1. Estimating the volume of subsidies by the difference between the costs of producing the goods or services, or the costs of importing them, and their sales price to the consumer. Some people consider that in the case of subsidies that can be exported their volume should be computed by the FOB price of exporting them and their sales price to the persons using it, on the argument that the total costs of the goods should take into account added opportunity profits, especially since the producer is always able to choose between disposing of a commodity in the local

market or on the foreign market. Countries are not very different from individuals in realizing the greatest possible return from the productive process, and one can thereby estimate profits and losses. Some people object to calculating subsidies in this manner because the government's function is social, and the government has total control over performing the function of production, distribution and capital formation, and therefore of achieving a balance at the appropriate level.

Computing subsidies by either method produces greatly different results in the case of many commodities, especially petroleum products. Apparent or direct subsidies on these are restricted to bottled butane, and were estimated at about 70 million pounds in 1980, whereas computing them by the method of the added opportunity would result in estimates of about 1.5 billion pounds for the same year.

2. Some people say that the social costs that result from the establishment of some industries that cause social or public health ailments, environmental pollution or effects on the life cycles in river and sea waters also enter into the definition of subsidies, especially with regard to foreign investment projects. The government is exerting human and material efforts to eliminate these ailments. Some people object to this definition on the grounds that it is difficult to determine all productive units' share in bringing this damage about.

The Encouragement Price and Large Figures

3. Some people have said that the massive subsidy figures that have been appearing in the budget since 1978 may essentially be attributed to the fact that our foreign trade is calculated at the foreign exchange encouragement price, and that subsidies in terms of imported goods are calculated by this price. That, in the opinion of some experts, means inflating subsidy figures beyond the actual increases in subsidy figures.

Not All Commodities Lose Money

4. Some experts add that many of the foodstuffs the government imports do not lose money; to the contrary, some of them realize profits for the government. The losses of the Supply Commodity Authority in importing some commodities such as meat, which is done through bids tendered by private sector importers, create an artificial increase in prices as a result of the private sector importers' headlong simultaneous onslaught on the importers of these commodities, which creates an unnatural demand and results in an increase in import prices.

Some include production subsidized local goods levies in their costs, and this results in inflated costs and consequently an inflation in subsidy figures entered in the government budget so that these goods may be offered to the consumer at a reasonable price. This method does not specifically show the extent of the actual cost the government defrays in subsidizing local goods that are offered to the consumer.

Subsidies: Different Types

One fact which has been confirmed is that subsidization has spread all through the structure of the Egyptian economy. Its forms have become so numerous that it has become difficult to calculate it accurately.

However, the study which the Council of Ministers' subsidy study committee has prepared shows three types of subsidies in the budget -- direct, declared and disguised subsidies, or the subsidization of lost opportunities for commodities that are consumed locally and sold at a price lower than their export price -- an implicit subsidy which is embodied in public sector company losses.

To shed more light on these three types:

With respect to direct subsidies which appear clearly in the government budget under the subsection on allocations to subsidies and reductions of living expenses (which leapt from 9 million pounds in 1960, when they were restricted to just three commodities, to 1,555,900,000 pounds in 1981, comprising more than 50 goods and services), to these experts add the service costs of subsidized goods, such as the construction of silos and storage freezers for meat and poultry and maintenance and management of these storage areas. The list of supply commodities takes up more than 90 percent of the total subsidies; it contains about 18 commodities, and wheat and flour take up more than 50 percent of the value of these, after which come cooking oil and fats in importance. In recent years some commodities such as coffee, sesame, frozen poultry and natural cooking butter have disappeared from the subsidy list.

Don't Subsidies Provoke Anxiety?

People conducting research into the issue of subsidies raise arguments on the actual nature of figures on subsidies and means for getting the subsidies to people who are entitled to them, especially the supply card system.

As regards the truth of the figures on subsidies, some people consider that most of the subsidized commodities are defrayed by customs duties and various taxes and loans, and if these are subtracted from the subsidy figures, the subsidization will assume a less alarming form! An example of that is bottled butane, where customs duties of 16 pounds are imposed on each ton imported while about 6.3 pounds are imposed as production levies on each ton produced locally. In addition, there is a stamp tax of 15 pounds per ton as well. These taxes were estimated at about 9.9 million pounds in 1979. By subtracting them from the estimated subsidy price, the net subsidy comes to just 22.4 million tons. Meanwhile some people reject the view that recommends that the subsidy cost be held separate from these tax discrepancies, because taxes on commodities are a public treasury revenue measure that is carried out in various areas of the world and represents a large percentage of sovereign revenues.

Should We Eliminate Cards?

Recommendations by experts on the means for guiding direct subsidization have grown numerous. Some people recommend that guidance in the granting of subsidies take place gradually, in accordance with consumption rates, where the first consumer's class will be subsidized more than following classes (in sugar for example), by using the system of cards or distribution by coupon according to the number of people per family.

Some people object to the distribution of subsidies in accordance with the distribution of income, on grounds that it is difficult to determine incomes; consequently restricting subsidies to one class to the exclusion of others on the basis of incomes entails a large degree of unfairness.

Some people demand that the current system of cards should be gradually eliminated and that a price agency should be used to guide consumption through price discrimination and the provision of cash subsidies to people with limited incomes by raising wages. Some people object to this device because of the high inflation rates in Egypt, especially since the possibilities for increases that the government could add to the salaries of employees and citizens are limited and could not compensate for the high wave of inflation.

Concealed Subsidies

These are represented by the sales of some raw materials and local production ingredients to companies at below export price, that is, at world market prices. For such subsidies to become apparent, it is mandatory that the products be exportable or that it should be possible to compute the costs of importing them in isolation from other products, although there are problems in computing such differences because of the daily changes in foreign currency exchange rates and the real value of local currency.

However, an attempt has been made to compute this difference by studies provided by the Council of Ministers' committee to study subsidization. Indicators show that obvious examples of disguised subsidies in Egypt are in the spinning industry, sales prices of petroleum products, sales prices of electric power and sales and rentals of low-cost housing. In spinning, the average disguised per-kantar subsidy of Egyptian cotton used by local spinning plants comes to 50 pounds in 1978 prices, when the average export price was 49.4 pounds per kantar at the official exchange rate; this was the equivalent of about 84 pounds in the encouragement rates at that time, while the average purchase price from the producers was about 34 pounds per kantar, meaning a difference of 50 pounds.

As regards petroleum products, it is to be observed that the subsidies for these have been high as a result of the widespread use of fuel oil, distillate and gasoline products at below world prices. In addition to the minor increases that have occurred in the prices of these products, the increases are reflected directly on the prices of a large number of goods and services. On the other hand, electricity /firms/ receive large subsidies since they receive heavy fuel oil at a price of 7.5 pounds per ton, while alternatives would cost no less than 52.5 pounds (however, electricity /firms/ are trying to compensate for this by modifying the electricity sales tariffs).

Disguised subsidies in low-cost and intermediate housing that the government and co-operatives are taking charge of building are embodied in the prices of open-space land, the costs of utilities and differences in interest rates on loans from real estate banks.

Subsidies and Company Losses

Implicit subsidies are clearly embodied in the losses public sector companies incur because they are compelled to sell their products at below cost price. They are also embodied in the volume of profits these companies earn, whose rates are at levels that do not correspond with their capital or with the profits of other companies whose activities are connected to theirs.

Many experts have claimed that it is necessary totally to separate economic from social prices. The Council of Ministers has already considered that it is necessary to make such a separation lest these subsidies be abused through the process of smuggling goods into the black market for resale at above their actual price or smuggling them abroad.

Some experts say that in spite of the breakdown which studies have made on subsidies, there are other types, especially in the field of services, which are difficult to determine accurately, such as those in public sector companies operating in the fields of transportation or productive services. Their annual figures show a loss because their services are priced at below sales price; some people might consider that disguised subsidization, as the consumer obtains a service at a price below that of the alternative service that might exist in the market.

These interconnected threads of subsidization that have become widespread throughout the Egyptian economy have led to a decline in the price structure, since they have not met with explicit economic or political treatment, and they have been a cause for the decline of the system of production and workers' reluctance to produce at a high level of quality. Therefore, the approaches in the recommended solutions which many of the studies set forth, official or unofficial have presented, consider that it is necessary to remedy the question from the economic and not the political standpoint. The approaches of the recommendations lay emphasis on a number of points, which, in their totality, are:

First, administering productive units on pure commercial bases so that output will be founded on cost studies and economic and technical studies, and sales prices will be determined in a manner that will realize a possible level of profit for the output while avoiding the highest prices, although the state's role should be restricted to pricing a specific list on which political agreement is reached and the state should compensate producers for sales at that price, if it is lower than cost price.

Second, subsidization should be restricted to the final consumption stage and not the intermediate stages, so that it will be possible to evaluate the productive competence of various units.

Third, subsidies should not be allowed on prices of all the consumer goods made available, because they are supplied to a class of the population that subsidies do not concern.

Fourth, industries that the government considers are in need of subsidies should be encouraged through customs and commercial policies.

Fifth, recourse should be made to a policy of price discrimination for some goods and services, according to the financial capabilities of different classes of people and goals of consumers. This could be applied to drinking water and lighting by increasing the price for the upper strata, and it is also possible to increase railway wages in Grades One and Two.

Cost Prices of Goods and Services and The Volume of Subsidies for Each

<u>Goods or Services</u>	<u>Unit</u>	<u>Current Price</u> <u>pounds/piasters</u>	<u>Price in 1980</u> <u>Prices in the</u> <u>Event Subsidies</u> <u>Are Abrogated</u> <u>pounds/piasters</u>	<u>Volume of</u> <u>Subsidies</u> <u>in 1980</u> <u>(million</u> <u>pounds)</u>	<u>Volume of</u> <u>Subsidy</u> <u>Alloca-</u> <u>tions in</u> <u>Fiscal</u> <u>Budget</u> <u>(million</u> <u>pounds)</u>
Common bread	disc	5	24	548.2	587.2
Improved bread	disc	10	27		
American bread	disc	10	32	142.6	202.4
Ordinary spaghetti	kilogram	100	229		
High-class spaghetti	kilogram	240	287		
Halva manufactures	ton	67 800	221 ---		
Corn	kilogram	60	122	576	125.4
Fava beans	kilogram	130	306	0.2	10.0
Lentils	kilogram	115	311	17.4	31.8
Oil (supply grade)	kilogram	100	688		
Oil (public shops)	kilogram	200	688	149.6	123.7
Free oil	kilogram	300	688		
Frozen meat	kilogram	680	1 529	73.6	98.3
Tea (by card)	package	40 55	92	27.4	24.4
Tea (additional)	gram	105	127		
Local rice (supply grade)	kilogram	50	135	43.7	52.5
Bottled butane	bottle	250	4 ---	80.5	91.6
Ordinary cloth (calico)	meter	111	218.5		
Diblan fabric	meter	115	235		
Castor fabric	meter	145	296	69.887	99.500
School linen	meter	140	246.8		
Zafir cloth	meter	139	263.5		
Chintz	meter	134	254.8		
Passenger transport in Cairo	second class	10	35	14.251	23.466
	first class	20	40		

Sixth, applying long run policies such as increasing storage capacities, improving unloading equipment, allocating adequate investments to construct refrigerators, cold storerooms, mills, improved hullers, and automated bakeries, developing the public sector, reducing its production costs, raising the capability of administrative and marketing agencies, correcting the supply structures of companies, dealing with bottlenecks, establishing holding companies to harmonize the activities of productive units working in analogous areas, and working to change consumption patterns.

Seventh, some people demand that prices be allowed to move while others consider that a policy of price discrimination among the subsidized commodities the government offers the citizens and commodities offered at prices that realize a reasonable profit in the market should be followed, provided that that be followed by the use of a method to distinguish between economic and social prices.

The Need To Continue with Cards

Recommendations have also been made by the ministerial committee to study subsidization, which has provided a thorough study on the various aspects of subsidies. This committee has produced a number of recommendations:

1. Subsidization policy is a tentative one, and subsidies are studied with the objective not of abrogating them but of guiding them so they can reach the people who are entitled to them and eliminate the sufferings of people with limited incomes.
2. It is necessary to continue with supply cards, provided that their use be restricted to people with limited incomes. This would require the exclusion of certain high-income groups.
3. It is necessary to guide our wheat and flour consumption, because that takes up approximately half the subsidies, and an appraisal should be made on raising ordinary bread prices, although there is agreement on the need to raise the prices of high-grade flour that is not allocated for bread, on condition that automated bakeries be provided and ovens be set aside for producing halva.
4. A policy of price discrimination should be followed with respect to all goods and services that are subsidized so that people who are able to pay, such as major consumers of electricity and water and first class railway passengers, will subsidize those who are not.
5. The prices of luxury commodities that are less necessary, such as colored television sets and cars, should be raised, lowering the subsidy burdens and realizing social justice and justice in the distribution of burdens.
6. Priority and importance should be granted to the investments required for silos, mills, bakeries, oil warehouses, refrigerators, boxing, packaging and preserving plants and canneries on a broad scale, as well as readymade clothing factories.
7. It is possible to reconsider raising the prices of ordinary cloth, provided that that start with changes in the prices of castor cloth after its production level is improved and an effort is made to increase the quantities produced, in order -- to guarantee that it is made available in the markets.
8. Subsidies of all goods and services must not exceed one-third or half the costs, in order to cope with and limit deviation.
9. It is necessary to link subsidies and agricultural production equipment to crop pricing policy.
10. Productive units must be run economically while a distinction is made between economic and social prices.
11. Subsidies should be restricted to final consumption commodities and should not apply to intermediary goods.
12. An effort should be made to change consumption patterns in a manner that will lessen the burdens of subsidies and priority should go to necessary food and other requirements, not to less important luxury consumption. That can be done by taking the order of food requirements into consideration.

Evolution of the Subsidization of Supply Commodities in the General Budget (in millions of pounds)

<u>Commodity</u>	<u>Year:1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978/9</u>	<u>1980</u>	<u>1981/2</u>
Wheat	70.8	194.1	135.1	152.3	117.5	481.8	548.2	587.2
Flour	8.2	27.0	27.6	25.8	31.6	106.4	142.6	202.4
Corn	4.4	16.5	29.2	23.1	40.6	38.4	57.6	125.4
Lentils	0.6	2.2	6.3	9.0	9.4	14.1	17.4	31.8
Fava beans	0.3	0.7	5.2	6.0	2.0	12.7	10.3	30.0
Sesame	0.4	0.3	2.7	0.4	0.3	---	5.6	6.6
Cooking oil	16.8	45.2	72.1	41.0	48.4	133.7	146.6	133.7
Fats	2.9	13.6	19.1	16.4	36.4	66.4	99.2	63.9
Artificial clarified butter	1.0	0.2	---	---	---	---	---	---
Butter	---	0.4	---	---	---	---	73.6	98.3
Frozen meat	---	---	---	20.4	---	41.4	---	26.3
Frozen poultry	---	---	0.5	---	---	---	---	2.0
Fresh meat	---	0.6	0.3	---	---	---	2.1	18.6
Frozen fish	0.5	---	3.0	0.2	0.4	2.9	---	131.4
Sugar	---	16.2	19.5	---	---	---	---	---
Coffee	---	0.5	0.3	3.3	5.6	---	27.4	24.4
Tea	---	---	---	---	18.3	54.6	43.7	52.5
Local rice	---	---	---	---	---	43.0	---	---
Lumber	1.9	9.4	4.1	---	---	---	---	24.9
Various commodities	0.2	0.6	1.1	---	---	---	---	---

The Most Important Goods and Services Subsidized by the Government

The Ministry of Supply (Supply Commodity Authority):

Wheat, flour, corn, fava beans, lentils, oil, fats, frozen meat, sugar, tea, frozen fish, rice, spaghetti and poultry.

The Ministry of Agriculture:

Local and imported fertilizers, insecticides, toxins to resist cotton pests, select seeds, agricultural lime and its transportation costs, sugar cane irrigation, pilot fields, and General Agricultural Credit Authority and credit bank services.

The Ministry of Transportation:

Railway transport, land transport inside and outside towns, and marine transport.

The Ministry of Petroleum:

Bottled butane, kerosene, distillates, diesel and heavy fuel oil.

The Ministry of Industry:

Cotton spinning, ordinary cloth, aluminum and certain manufacturing companies that incur losses.

The Ministry of Electricity:

/missing/

The Ministry of Housing:

Potable water and interest on General Low-Cost Housing Construction Cooperatives.

The Ministries of Education and Culture and Information:

Schoolbook paper, newsprint and MIDDLE EAST NEWS AGENCY.

Medicines and medical compounds produced locally and the Egyptian Pharmaceutical Trade Company, which imports pharmaceuticals.

11887

CSO: 4504/174

NEWSPAPER CITED ON KHOMEYNI-ISRAEL DEALINGS

(Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 3 Feb 82

[Station Commentary]

[Text] [Passage indistinct] Details revealed by Bani-Sadr when he fled to West Europe and explained how Khomeyni and his ilk joined hands with Israel and strengthened his forces with the cooperation of the Begin government--a government whose policies are strongly criticized within Israel.

Even though Khomeyni's initial reaction was "we don't consider Israel worthy of asking for assistance," later the SOBH-E AZADEGAN newspaper, the Mullahs' semi-official organ, carried a detailed editorial on the subject saying: "We are not the ones who have come close to Israel, but it is the Israelis who have come closer to us because they have realized that to enable them to continue their abominable existence, they should gain Imam Khomeyni's approval." SOBH-E AZADEGAN continued that "should Khomeyni say one day that Israel should not exist, Israel would be destroyed."

Therefore, the collusion between Khomeyni and Israel is an open secret because, although until yesterday, he was sending our dear ones, on the basis of this agreement, to be sacrificed on the altar of war, placed the Muslim Iranian and Iraqi against each other, and called this fratricide "the war of the forces of Islam with the infidels," he is now increasing this cooperation by starting a war between Persians and Arabs. Also, he has mobilized his so-called Islamic forces to confront the Hashemite family, whose members consider themselves as the most genuine children of the apostle of Islam. Khomeyni lists this family's children among the Kaffirs, as was once done with the children of the Prophet of Islam by Yazid, who was eternally cursed for doing so. God forbid that Khomeyni's doings gain him anything less.

But has the time still not come for our blinded youths to realize that they have fallen into the trap of impostors, who have made their turban and cloak a (?reason to prove their legitimacy)?

The reason for this talk is not to oppose Jordan, or Israel, or Iraq, or even Khomeyni. The intention is to inform our compatriots of the bitter truth that Khomeyni's so-called Islamic Republic has imposed on our homeland. The intention is that the dear youths of our homeland, Iran, will realize that they are futilely

sacrificing their lives for a regime that is in the service of others and, for instance, sends the youths of Iran to be killed for Israel, yet claims to be struggling against Israel. The intention is to make the youths of our homeland realize that the punishment for those committing fratricide in Islam is to burn in the fires of hell. The beautiful paradise that Khomeyni is promising is nothing but a horrific slaughterhouse. Khomeyni's duty is to send our youths to hell on their own--a hell for which the plans have been drawn up by foreigners without any connection whatsoever with Iran or the Iranians. The intention of this discussion is to make our homeland's youths realize the historic necessity that they should use their brave efforts toward the salvation of their homeland and their compatriots, and that they should empty the bullets in their magazines in the black hearts of the wicked Mullahs, who are pushing our country and nation toward annihilation.

Compatriots, has the time not yet come for us to open our eyes to see the truth and realize that our enemy, the enemy of our freedom and independence, the enemy of our civilization, culture, Iranian identity and nationality is within our homeland, and not abroad, and that if we do not rid ourselves of this enemy we will have committed treason to all our national values. (?It is a pity) if these sleights of hand are to continue, if the people, who are under a spell, do not wake up before it is too late and overthrow Khomeyni's hellish regime for the sake of preserving Islam, for the sake of Iran's salvation and for the sake of releasing the Iranian nation.

Long live Iran! Long live the Iranian nation! Down with Khomeyni's criminal regime!

CSO: 4640/152

BBC, ISRAEL ACCUSED OF AIDING KHOMEYNI

NC041639 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 4 Feb 82

[Unattributed Commentary]

[Text] [Monitored in progress] [Words indistinct] how Ruhollah Khomeyni's so-called (?anti-imperialist and anti-Zionist) regime has received U.S. arms and ammunition and continues to do so from the occupiers of Jerusalem. Documents and proof are so numerous that the Tehran officials cannot hide this (?fact). But [words indistinct] (?like it did 3 years ago), Channel 1 of the BBC television--the same mass media network that (?helped fulfill the Mullahs' sedition) and the same network that was exclusively placed at Khomeyni's disposal and informed (?the mentors of the sedition of programs of marches, demonstrations, acts of sabotage and arson--suddenly aired a special program and invited U.S. and Israeli dignitaries and covered this same issue, that is the sending of arms from Israel to the Islamic Republic, and once again is placed at the service of Ruhollah Khomeyni's regime, but this time (?with more expertise).

The BBC started the program (?very simply) and by stating undeniable facts and said: Ahmad Heydari, an arms' middleman from the Islamic Republic, states that when at the office of Col Tavakkoli [as heard], the then defense minister, he witnessed a telephone conversation during which someone from Paris informed Col Tavakkoli that he has found smuggled arms. According to Ahmad Heydari, (?the next day a transaction) amounting to (\$200 million) was carried out. The BBC continued that an Argentinian plane was chartered to carry the arms from Israel to Iran. The plane carried the U.S. arms from Tel Aviv via France, (?Portugal) and [word indistinct]. On its third mission and on its return trip the Argentinian plane was mysteriously (?downed) in Soviet Armenia. Israel then continued sending arms to the Islamic Republic by sea, Ya'aqob Nimrodi former Israeli defense attache in Tehran and director of the Israeli Mossad in Iran. [sentence as received]

So far everything is clear and the BBC television, relying on remarks by an (?Israeli) official, reaffirms that which the entire world knows. But from this moment on the BBC's assistance to Ruhollah Khomeyni's Islamic Republic begins, and by carrying out some interviews with Ya'aqov Nimrodi, with former U.S. Ambassador to Iran William Sullivan, and former CIA Chief Richard Helms, it conveys the necessary information and messages to Ruhollah Khomeyni.

In reply to a question on why Israel supplies arms to the Islamic Republic, the Israeli official Ya'aqov Nimrodi says that after the downfall of the shah's regime, the Islamic Republic's war with Iraq brought about a very favorable opportunity for us to go to the assistance of people (?who we wish to see gain the rule in Iran someday), and these people are the armed forces personnel of Iran. Since they needed arms, we assisted them to (?gain friends). At the same time (?we complained to the United States) on why it does not support (?a plan for a coup in Iran).

At this point, (?special adviser to Bazargan and Mohammad Hoseyni Beheshti in fulfilling the Mullahs' sedition, Mr Sullivan [words indistinct] (?stated) that the Iranian armed forces has disintegrated and there is no possibility for it to carry out a coup, especially since Khomeyni's revolution guards are watching the armed forces' movements. Then the famous Richard Helms stated that the situation in Iran is such that the West should be careful that Iran does not fall into the Soviet Union's lap.

We see that by interviewing the (?three) U.S. and Israeli officials the BBC (?network) slyly and expertly rises to assist Ruhollah Khomeyni and how these three officials who were all in Iran and very well aware of the situation in Iran convey the messages to their Mullahs.

The Israeli Ya'aqov Nimrodi tells Khomeyni that the armed forces is still a source of danger. Therefore, it should not be (?withdrawn) from the war. At the same time, he says, do not worry since we will continue to send you arms. By receiving this message and on the pretext that communists have infiltrated the Iranian armed forces, Khomeyni once again starts purges and dismisses thousands from the Iranian armed forces while continuing the war as a source of divine blessing. But, since there is a possibility that (?Khomeyni misunderstands this message), William Sullivan consoles Khomeyni that there is no need to worry, because we fortunately have the revolution guards who are watching the activities of the armed forces. Therefore, (?it is necessary) to support and strengthen them as much as possible. Finally, Richard Helms says that we--that is the United States--are next to you like in the past and as (?we proved) 3 years ago and will not allow the Tudeh Party to overthrow your (?reactionary and destructive) regime.

Yes, this is the way in which the BBC (?continues its inordinate services) to Ruhollah Khomeyni and this is the way in which Zionist and imperialist experts express their support for the Islamic Republic. Now, Ruhollah Khomeyni and his Mullahs can shout as many anti-U.S. and anti-Israeli slogans. However, they cannot never hide facts and their dependence and subserviency with these slogans.

CSO: 4640/152

IRAN

MAS'UD RAJAVI SEES KHOMEYNI DOWNFALL APPROACHING

LD110952 Riyadh SPA in Arabic 0805 GMT 11 Feb 82

[Excerpts] Riyadh, 11 Feb (SPA)—Mas'ud Rajavi, leader of the Mojahedin-e Khalq group, has emphasized that the year 1982 will be the year of decision in Iran since the Khomeyni regime is now living its last phase and is doomed to collapse sooner or later.

In a statement he made to AL-MMADINAH and published today, he said that the mask has come off the face of Khomeyni and his regime which is facing total isolation from the Iranian people in the wake of the collapse which the country is experiencing in all fields.

Rajavi said there are 5 million unemployed in Iran and 4 million refugees. Inflation is currently between 400 and 500 percent and all the state's financial reserves have collapsed. All those around Khomeyni are corrupt.

On the other hand, Rajavi affirmed that the only person trying to continue the Iraqi-Iranian war is Khomeyni. He said Khomeyni has turned down the numerous peace opportunities because he views this war as totally theatrical just as was the case of the American hostages in Tehran. He added that Khomeyni does not wish peace at all and that peace cannot possibly be established with him because he is benefiting from the state of war in the repression which is maintaining his superficial stability and in the massacres which it is committing against Muslim women, children and men.

Rajavi affirmed anew that the Iranian regime purchases weapons and other things from Israel. He said that the Mojahedin-e Khalq organization is an armed organization which stands by all the Arab brothers. Moreover, they are not adventurers but responsible people who are aware of the strategic sensitivity and importance of the region and that they are struggling for world peace since they do not want Iran to be, as it was during the era of the shah, the police of the region, nor like Khomeyni as an exporter of the revolution.

CSO: 4604/14

MARAGHE'I CALLS FOR UNITY TO END 'ROTTEN CLERICALISM'

NC041702 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 4 Feb 82

[Text] Rahmatollah Moqaddam Maraghe'i, one of the leaders of the Radical Party of Iran who has fled to Europe, has issued a statement in Paris calling on opponents of Khomeyni's regime to unite against the domination of rotten clericalism. A Free Voice of Iran correspondent reports that in his statement Moqaddam Maraghe'i has called on all groups and organizations that participated in Iran's revolution to set aside their ideological differences and to unite to save Iran, which is on the verge of a civil war. Moqaddam Maraghe'i, who himself in 1980 (?helped compile) the constitution of the so-called Islamic Republic in the council of experts, in this statement condemned the acts of all those who, through lies and plots, intend to monopolize the government machinery and are leading Iran toward the precipice of downfall.

LE MONDE newspaper, quoting him, writes: Moqaddam Maraghe'i has said that the defeat of the Islamic Republic has shown that no group can impose its thoughts on others and that Iran's (?differences) cannot be solved through pressures and by force. The armed war that, in the past, was considered the only effective solution only resulted in the shedding of the blood of a number of our homeland's youths. The only way for Iran's salvation lies in the unity of opposition groups and the destruction of the walls of selfishness and dogmatism. Going on by quoting Maraghe'i, LE MONDE writes: Those who have sought refuge outside of Iran should (?think of) the combattants who (?are risking their lives) in Iran and are searching for light in (?oppression) and only the light of unity can once again gather together national groups. Rahmatollah Moqaddam Maraghe'i warned officials of the clerical dictatorship that the longer the life of the regime becomes, the more the hands of its officials will be stained in blood, and a day will come when they will have to reply for their acts.

CSO: 4640/152

ENVOY TO USSR REPORTED ARRESTED, KIDNAPPED

GF071739 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 7 Feb 82

[Excerpts] The authorities of the so-called Islamic Republican regime have so much fear for their future and the continuation of their antinationalist regime that they have widened the scope of their criminal actions, mass murders, blood-spilling and bloody purges, thinking that this may avert the imminent catastrophe. Nowadays the closest and most sincere allies and aids of the bloodsucking Mullahs are not exempt from danger, death, imprisonment, torture and terror. The latest sincere servant of Khomeyni who did everything for him but still has fallen in the trap of his turbaned master is Mohammad Mokri, the ambassador of Khomeyni's regime to the Soviet Union--who should be called the former ambassador of Khomeyni's regime to the Soviet Union from now on.

Several days ago Khomeyni's guards arrested him. He was residing at Tehran's (Tower) Hotel. A report yesterday referred to his kidnapping. According to the latest report, Mohammad Mokri has disappeared following several days of a seemingly respectable debriefing. Our sources believe that he possibly may have been transferred to Evin Prison. There is a strong possibility that the rumor of Mokri's kidnapping stemmed from his disappearance.

Therefore, it seems that the hand of destiny has written that most of Khomeyni's slaves will receive their just reward from the hands of their turbaned allies after serving their nationless Imam and losing the remainder of their honor and before the true representatives of the Iranian nation return to Iran and try them in nationalist courts.

Recently, a number of ambassadors, charge d'affaires and employees of Iranian embassies and consulates have been recalled to Tehran, Mehdi Navvab, a member of the National Front and Khomeyni's ambassador to the FRG, as well as the charge d'affaires in England and Bangladesh are among those recalled.

CSO: 4640/152

MULLAHS REPORTEDLY SENT TERRORISTS TO EUROPE

(Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 4 Feb 82

[Text] The Free Union of Iranian Students in Italy has announced that the Mullahs' antinational regime has sent a number of terrorists to Europe. According to a Free Voice of Iran correspondent's report from Italy, the terrorists sent by the regime will identify antiregime students and intend to attempt to assassinate them at an opportune moment.

According to the latest report that was broadcast from our radio [as heard], some time ago during a clash between hezbollahi (?ruffians) and Khomeyni's terrorists in Italy with freedom-seeking and patriotic students, nine of the elements of the regime were arrested. According to our correspondent's report, during a body check of this group at the police station, clubs, chains and knives were found and were included in their dossiers. The Italian police commissioner has told our correspondent that he is well aware of the fact that the agents sent to Europe create inconveniences for the Iranian students.

Khomeyni's terrorist agents have now been strengthened throughout Europe, and the volunteer services of the Tudeh Party and of the Feda'iyān-e Khalq (Majority) are (?fighting) against freedom-seeking and patriotic Iranians and students who are members of antiregime groups, such as the Social-Democrats, Mojahedin-e Khalq of Iran, the Feda'iyān-e Khalq (Minority), the Peykaris and the Monarchists.

CSO: 4640/152

MOTIVES ATTRIBUTED FOR ATTACK ON WEST GERMAN ENVOY

(Clandestine) Voice of Iran in Persian 0330 GMT 10 Feb 82

[Unattributed Commentary]

[Text] Dear listeners: The futile assassination attempt on the FRG ambassador in Tehran was neither surprising nor unexpected because it was an act that fitted exactly within the Khomeyni regime's way of handling its opponents. Khomeyni says: Kill whoever criticizes my revolution or my Islamic Republic. His turbaned servants immediately carry out their impostor Imam's orders.

On Friday the clerical regime's Foreign Minister, 'Ali Akbar Velayati, met with Hans Dietrich Genscher in Bonn. Genscher, as a logical person, expressed concern and discontent over the continuation of the pitiless executions and massacres by the Khomeyni's regime. Immediately upon hearing this report, the officials of the criminal regime remembered their Imam's orders and since it was not possible to kill the FRG nation, they opened machinegun fire on that country's ambassador in Tehran.

Attempting to hide their shameful act, the sly and (?deceitful) Mullahs immediately started rumors that a movement called the Ahmadzadeh group claimed responsibility for this assassination attempt. There is no doubt that this was a premeditated act. The FRG Government, and especially the FRG ambassador in Tehran, are very well aware of the expertise the clerical regime has in this field. They are well aware that the two incidents--the assassination attempt on the FRG ambassador and the killing of Musa Khiabani and Mas'ud Rajavi's wife on the same day and a few hours part--were not accidental. Everyone knows that the FRG has a neighbor that implements identical terrorist acts and spreads communist propaganda on the Soviet Union's orders on various occasions. Also, everyone knows that next to Soviet experts, there are GDR experts in brainwashing and demagoguery charge of administration in the Mullahs' plotting and subversion center in Tehran.

The Satanic plan of the fundamentalist Mullahs was to overshadow the attempted assassination of the FRG ambassador by reports on the killing of the Mojahedin-e Khalq leaders. This is exactly the same method used by regimes of the Eastern Bloc. It was not accidental that the Kremlin leaders chose the end of 1979 to occupy Afghanistan. They knew that the Christian New Year celebrations and the numerous difficulties faced by various heads of state at that time would overshadow their illegitimate act. It is also not incidental that each time communist regimes

intend to raise the price of basic commodities this is published at a time when important world events or incidents are reported, aiming at considerably decreasing the people's rage.

Unfortunately since the start of Khomeyni's Islamic Republic we have in our country, time and again, witnessed the implementation of such Satanic policies, the last one in Tehran on Monday.

Meanwhile, the spokesman of Khomeyni's foreign ministry states with the greatest possible impudence: We strongly condemn the attempted assassination on the FRG ambassador in Tehran because the Islamic Republic treats these people as its guests. Of course, he made no reference to the occupation of the U.S. Embassy by Khomeyni's mercenaries. He did not say what kind of hospitality U.S. diplomats had during their 444-day ordeal. He very soon forgot the revolution guards' raid on the French Embassy in Tehran as well as various similar cases.

A bunch of Godless clergymen, with the cooperation of a number of unturbaned mercenaries, have occupied Iran and are using words such as diplomacy and foreign policy while they know nothing of diplomacy or foreign policy. Khomeyni's foreign policy means turning Iran's embassies into centers of spying, plotting and subversion. Khomeyni's foreign policy means propaganda for the Mullahs' sinister revolution and Khomeyni's diplomacy means the killing of the ambassador of any country that makes the smallest reference to the executions, tortures, plunders and crimes by his medieval regime.

CSO: 4640/152

WORK OF GENDARMERIE POLITICAL IDEOLOGY OFFICE EXPLAINED

Tehran SOBH-E AZADEGAN in Persian 19 Nov 81 p 9

[Report on interview with Hojjat ol eslam Mohammad Mo'meni Shahmirzadi, supervisor of the Office of Political Ideology of the Gendarmerie; date and place not given]

[Text] The indoctrination of the military was the real objective, and the Office of Political Ideology in the Armed Forces was established on the Order of the Imam.

The said district has so far given in the war 117 martyrs and wounded, for the leader of the Revolution and the martyr-nurturing Nation of Iran

Hojjat ol eslam Mohammad Mo'meni Shahmirzadi, supervisor of the Gendarmerie's Office of Political Ideology, First Central District, answered questions regarding the activities of this office, as well as the particulars of its organization and other problems pertaining to the offices of political ideology.

Hojjat ol eslam Mo'meni pointed out the method of organizing the offices of political ideology in the armed forces and said:

"After the victory of the Islamic Revolution, it was felt that since the revolution was an Islamic and doctrinal one, it should include indoctrination in all organizations and organs, and in all aspects of this nation's life.

"And this includes the armed forces in all its wide-ranging dimensions which according to article 144 of the Constitution the indoctrination of the armed forces and their importance to the country is quite clear. After the Imam's order and his assumption of the command of the armed forces which gave them organization and dignity, religious indoctrination of the Armed Forces was the main objective. Thus, office of political ideology was set up alongside the armed forces on orders of the Imam, the great leader of the revolution, in order to familiarize and guide military personnel with respect to political aspect as well as doctrinal and religious aspects, in order to allow them to perform their duty under the protection of the doctrine. In the beginning it was imagined that offices of political ideology intended to interfere in matters pertaining to military command and similar affairs.

"Whereas, as was explained earlier, such is not the fact. From the day this organization was formed on order of the Imam, it has served and cooperated, and has, of course, supervised and guarded against activities contrary to the principles of Islam.

This organization serves with sincerity, and tries to indoctrinate the Iranian armed forces." Hojjat ol eslam Mo'meni added, "After the Office of Political Ideology was established in the joint military staff, the three branches of the armed forces and the police department, it was set up immediately in the First Central District, which is the largest gendarmerie region and encompasses the four regiments of Tehran, Qum, Qazvin and Semnan."

Regarding the organization of offices of political ideology, Hojjat ol eslam Mo'meni said, "After the political head of the Gendarmerie Political Ideology Office was appointed by the Imam, a program was set up with the cooperation of the various units, and was conveyed to the districts, to independent regiment and to the regiments under the control of the districts. According to the program, they were instructed to establish political ideology units composed of eight members each: one member to be the head, one the assistant, and the other six members to be responsible for various tasks. All now discharge their duties within the above-mentioned dimensions." Hojjat ol eslam Mo'meni then referred to the work accomplished by the First Central District's Office of Political Ideology and said:

"Of course, the tasks completed since the establishment of the Office of Political Ideology are many in number, and can be listed as follows:

Making gendarmerie personnel aware of their Islamic and revolutionary duties; establishment of libraries in districts, regiments, companies and most sentry posts.

Holding of ideological classes.

Teaching the Quran.

Holding of communal prayers; lectures throughout the week; visits to the wounded commiseration with the families of the martyred; the establishment of prayer houses and mosques; financial and material help sent to the war fronts by regiments under the jurisdiction of the First Central District; aid to war refugees and to earthquake victims; sending groups of students to the war fronts of Abadan and Mahshahr in order to provide spiritual and moral support to military personnel; inspection of regiments, companies and posts controlled by the First Gendarmerie District in Tehran.

Explaining revolutionary duties to the personnel at this crucial time with attention to the authority and rule of theocracy; organizing exhibits of pictures, posters and books; and providing books for libraries under their jurisdiction. Then in regard to the martyred, the wounded and the prisoners of war from the First District who have sacrificed themselves for the revolution in the imposed war, the supervisor of the Office of Political Ideology of the First District in Tehran said:

"This district is proud to have offered in the war, to the leader of the revolution and to the martyr-nurturing nation of Iran, 36 martyrs, 74 wounded and 7 prisoners and missing-in-action; and has given military training in general mobilization to eight thousand individuals."

Hojjat ol eslam Mo'meni Shahmirzadi then referred to the present difficulties in the offices of political ideology, and the lack of courage of the activities of Armed Forces offices of political ideology in the media and said:

Every newly-organized institution would naturally have shortcomings in the beginning; only God's messages and his laws are free from defect. And naturally an organization of political ideology cannot be free from defects and will have some flaws. But in all fairness, ever since the day these offices of political ideology started work, the brother members have carried out impressive acts and activities. By the grace of God, with greater experience, shortcomings and defects will gradually be remedied.

The best factor that can improve the efficiency of this organization, make it bear fruit, and cause it to instil new vigor and strength into the armed forces would be greater unity among the dear brothers in this organization who work among the armed forces. They should try to seek help from each other, and aid each other through consultation and unity."

In regard to the lack of coverage of the activity of the offices of political ideology in the media, Hojjat ol eslam said:

"I think that like many other organizations and institutions, the office of political ideology has performed services which, for one reason or another, has not been able to bring it to the attention of the people.

"As our great leader has always reminded us, we should show the people what we do so that the question as to what these offices are doing does not arise. If such an effort is made, not only will the personnel of these organizations be encouraged, but the people also will become aware of the educational doctrinal activities performed in military centres."

In conclusion he said, "If there should be the least shadow of a doubt in the minds of certain military figures regarding this institution that, God forbid, these organizations intend to create headaches for them, I will say that such is not the case. If they pay greater attention to the composition of this office and the duties assigned to us, they will see that they have prejudged us hastily and improperly."

9863

CSO: 4640/114

REVOLUTION PROSECUTOR DISCUSSES PRISON ISSUES

LD071000 Tehran IRNA in English 0905 GMT 7 Feb 82

[Text] Tehran, 7 Feb (IRNA)--The morning daily (?JOMHURI-YE ESLAMI) printed an exclusive interview with the prosecutor of the Islamic Revolution Assadollah Lajevardi in today's issue.

In this interview he spoke on many prison issues. He said that when a prisoner was convinced that he had made a mistake in his political and ideological understandings, he could easily hand over his information. On actual division of the Evin Prison the prosecutor said it was divided into two sections: a prison and a training centre where educational facilities were being expanded everyday.

On the effects of the training programmes on prisoners he added that many of the prisoners, although having been convicted and received sentence, sometimes offered more information saying that to withhold it would be a treason to Islam. This showed, he said, that the training programmes had had positive effects on them. Such programmes, he added, made these prisoners adopt a completely different attitude than previously.

The Islamic Revolution prosecutor said that in the prison there were facilities for those who wanted to continue their studies, and educational officials would be asked to come to the prisons to examine them.

Speaking on the Monafeqin (MKO) [Mojahedin-e Khalq] and their financial aid he said that local capitalists, the same enemies of the Islamic Republic who believed that the best opportunity to oppose it was to support the Monafeqin, financially supported them. He stressed that although the Monafeqin organisation claimed to have an anti-imperialist and anti-capitalist stand, it enjoyed financial assistance from big capitalists.

On prisoners leave Lajevardi said that suitable prisoners were allowed leave, sometimes up to three months, which had no precedent in the world.

On any upcoming pardons, Lajevardi stressed that no member of the Monafeqin would be pardoned in the near future, but a commission was studying the files of prisoners in other categories to find out if they were suitable to be pardoned. Finally referring to imperialist propaganda, Lajevardi said that the more Radio Israel, Voice of America, the BBC and Baghdad Radio supported the splinter groups, the more the legitimacy of the Islamic Republic was proved and the more determined the officials would become in their responsibilities.

CSO: 4600/247

IRAN

REVOLUTION GUARDS 'DISMANTLE' PEYKAR GROUP

NC101753 Paris AFP in English 1735 GMT 10 Feb 82

[Text] Tehran, 10 Feb (AFP)--The leadership of the opposition Peykar Marxist organisation was "totally dismantled" and a great many of its members were arrested (?today) [word indistinct] past swoop by security forces, Iranian television reported here today.

Revolutionary Guards raided 22 hide-outs and arrested a number of the organisation's cadres, including top leaders 'Ali Reza Sepasse Ashtiani and Hussein Ahmadi Ruhani, the television said, quoting a Revolutionary Guard communique here.

The operation comes three days after a security forces raid against a left-wing Mojahedin people's hide-out in north Tehran where several people were killed, including the organisation's number two, Musa Khiabani, and the wife of exiled leader Mas'ud.

The Revolutionary Guards' communique said the leadership of Peykar, "an atheistic and criminal organisations," was arrested "thanks to the surveillance of the Iranian people on the eve of the third anniversary of the revolution tomorrow.

It called on Peykar sympathisers to "return to the fold" if they did not want to "meet the fate of their leaders."

Peykar is a Marxist breakaway group from the basically pro-Islamic, left-wing people's Mojahedin.

Meanwhile, thousands of Iranians climbed on rooftops tonight to chant "Allah o Akbar" (God is great) to mark the anniversary.

The chanting, occasionally interrupted by cries of "Hezbollahi" (of the party of God) and "Death to America", lasted for about 10 minutes.

Radio Tehran and the daily ETTALA'AT reported that religious leader Ayatollah Ruhollah Khomeyni had amnestied 2,114 prisoners--including 1,134 tried by Revolutionary Courts--on the occasion of the anniversary.

All the released prisoners, however, had been sentenced to prison terms of a year or less and had served at least three months in jail.

CSO: 4600/247

REVOLUTION GUARDS IDENTIFY CAPTURED PEYKAR OFFICIALS

LD111922 Tehran Domestic Service in Persian 1630 GMT 11 Feb 82

[Statement issued by the Public Relations Office of the Central Staff Command of the Islamic Revolution Guards Corps--date, place not given]

[Text] In the name of God the compassionate, the merciful, sheltered by the blessings of the vengeful God and relying on the faithful brothers in the Islamic Revolution Guards Corps and the selfless personnel of the Islamic Revolution Committees and according to the Holy Pact with all the proud and legend making martyrs of the Islamic Revolution a part of the extensive operations carried out in the second stage of the "dawn of 10 days" operation against the anti-popular and atheist group, Peykar, is brought to the attention of the revolutionary and martyr-nurturing people:

As the Muslim nation of Iran was informed in the last statement the central leadership of the corrupt and atheist group Peykar was crushed and the leaders of the group including 'Ali Reza Sepasi-Ashiani, the leader of the organization, Hoseyn Ahmadi-Ruhani the brains behind the organization and the author of many of the theoretical pamphlets of the hypocrites organization [Mojahedin-e Khalq] including the recognition pamphlet; and Mas'ud Jigare' the official in charge of the administration of the group were arrested. In this connection in addition to the above-mentioned people, more than 40 other members of the organization were arrested. The names of some of them are as follows:

1. Ahmad 'Ali Ruhani, pseudonyms Nasir and Hasan, one of the recognized members of the cadre, and a temporary member, advisor to the central leadership of the organization. He was a member of the central leadership, Tehran branch and administrative secretary in charge of the military strike group of the organization. He together with other defectors formed the Marxist-Leninist offshoot of the hypocrites in 1976 and has been a member of the Leadership Council since 1978.
2. Behjat Mehrabadi, pseudonym 'Azam, the wife of Ahmad 'Ali Ruhani, one of the distinguished members of the cadre and in charge of Peykar's Information and Security Committee. She was one of the oldest members of Peykar and a team member of Taqi Shahram, Fatemeh Amini and Mahbubeh Motahedin. One of her official posts was membership on the council in charge of the Marxist-Leninist part of the hypocrites beginning in 1978.

3. Manizheh Hoda'i, pseudonym Sudabeh, one of the distinguished members of the cadre and advisor to the Central Leadership. She was a member of the Central Leadership Student and Pupil Branch of [words indistinct].
4. Zahra Fahim, pseudonym Pari, one of the active members of the workers branch of the group. She was arrested in the central safehouse and was the common-law wife of Hoseyn Ahmadi-Ruhani.
5. Qasem 'Abedini, pseudonyms 'Asgar, Kaveh, Mojtaba; one of the old and distinguished members of Peykar, member of the Central Leadership Tehran Branch and responsible for supplies and arms and forgeries. In the past he took part in the Majlis elections as a candidate representing the organization from Borujerd. He was one of the founders of the communist group Arman Khalq which joined Peykar organization in 1976.
6. Mehri Heydarizadeh pseudonyms Zohreh and Goli, one of the leading officials of the Workers Branch. She was formerly in charge of the Women's Branch and a Peykar candidate in the Majlis elections.
7. Asghar Akbarnezhad (?Ashshf), pseudonym Manuchahri, a member of the Central Leadership Tehran Branch and in charge of the Communications and Distribution Committee. He was an old member of the hypocrites organization and became a Marxist in 1976.
8. (?Eqna Saleh), pseudonyms Zohreh and Tehereh, a member of the Central Leadership, Tehran Branch and the official in charge of the overall running of the Workers Branch of Peykar. The above-mentioned was one of the active members of the Fada'i Khalq guerrilla group in 1974 and in 1976 joined Peykar.
9. Mas'ud Mohammadi, pseudonym Firuz, one of the theoreticians of the group. He was member of the Ideology Committee and one of the editorial staff.
10. Fereydun 'Azami, pseudonym Amir, one of the active members of Peykar. He was one of the officials in charge of supplies and responsible for arms and supplies, Tehran branch.

In addition to those arrested, a large number of documents arms supplies and printing machines were captured by the guards corps which are as follows:

- A. Documents, including a large number of the Central Leaderships documents, interorganizational publications and organizational documents which indicate a severe interorganizational crisis, division and deep helplessness and weakness of this atheist and Godless group. In an opportune moment parts of these documents which show the moral corruption, dependence, crime and assassination plans will be presented in order to reveal the evil face of this pro-American mercenary and corrupt group to all.
- B. Safehouses, from the first stages of the operation up to now more than 30 safehouses and centers of activity have been identified and seized by the Islamic Revolution Guards Corps.

C. Stores, including 11 secret supply firearms and ammunition stores; printing facilities including offset machines, [word indistinct], copying machines, photocopying machines, stencil machines, IBM typewriters, presses and several reams of paper and ink supplies were captured.

Finally, assuring the struggling nation of Iran of the destruction of any pro-East or pro-West group, we warn the deceived supporters and their families of these groups to follow the Imam and his guidelines for the nation before it is too late and report to police stations or judicial authorities and return to the bosom of Islam.

[Signed] The Public Relations Office of the Central Staff Command of the Islamic Revolution Guards Corps.

CSO: 4640/152

TUDEH PARTY BRANDED 'MOST CUNNING POLITICAL GROUP IN IRAN'

Tehran TEHRAN TIMES in English 3 Feb 82 p 1

[Article by Musavian]

[Text] WHICH is the most cunning political group operating in Iran?

It might be thought that one would have to consider an answer carefully after assessments of the political situation, but we feel there is no need for such an exercise. It is patently evident that the "Tudeh Party," the mother of all Communist parties in Iran, qualifies with distinction.

One has only to view the political scenario revolving around the activities of this party since last year to see how deviously it operates. A trend to be noticed is the fusion of other 'eastern' ideologically inspired parties like the Fedayeen Khalq with the Tudeh. The fact is that such extreme factions who suffer from ideological weaknesses of their own have yielded to the brainier and deeper maneuverings of the Tudeh Party. Yet more significant a reason is the fact that these extreme factions have gyrated towards the Tudeh party only because they have not been able to reach out for their aims successfully, finding themselves thwarted by the presence of Islamic forces on the scene, who form 98 per cent of the Iranian population.

In viewing the Tudeh party today one has to observe that it is quite easily the one party that is widely and consistently opposed by other parties in Iran who enjoy no consensus, but are on the other hand even diametrically opposed to each other ideologically. All of them despise the Tudeh and consider it traitorous in the extreme.

An interesting exercise would be to see the reasons for such opposition by groups within the country. What are their reasons?

1- Remnants of the former westernised political activists, such as the 'National Front' and the 'Liberation Movement,' oppose the Tudeh because their brand of westernised nationalism can never be reconciled with the Russian brand of socialist values, to which the Tudeh religiously adheres. Besides, to these 'nationalists' in their political thinking, the presence of the US can never be so bad as the monstrous presence of the Russians!

2- Now the monarchist anti-revolutionary elements and agents propagating for the US both within and outside Iran such as Bakhtiar and Oveissi are following the old line of the ex-shah in trying to make the Russians more a monster than they would really seem. Their one object is to justify the US presence in Iran by juxtaposing the threat of the "Russian bear" in Iran. These elements naturally stand in complete opposition to the Tudeh party.

An interesting fact, however, emerges from this opposition of the monarchists. It is that the Tudeh reaped even more benefits from this in its cunning operations. They have turned around their unpopularity with the monarchists to make out that they were a party dyed in truth following the line of the Imam and were for this reason being opposed by the vile monarchists.

3. A recent recruit to the ranks of those vehemently opposing the Tudeh are the American-Maoist leftist groups who inspired by the recent closing of ranks between China and the US are united in their vehement antagonism to Russia and consequently to its outcrop in Iran. Yet it might be true to say that their history of brief activity in this country, as compared with the Tudeh party which has a much longer history, have been more shameful.

It is an undoubted fact that these groups have direct links with the US and masquerading as Maoists they are in active armed rebellion against the Islamic Republic. The other face of their activity is the opposition to the Russian agents at the bequest of their masters -- America.

4. A number of other diverse leftist groups in armed rebellion against the regime are inherently against the Tudeh party. But as stated earlier they have accepted the Tudeh momentarily because they have found their way blocked in the achievement of their aims.

5. Finally we come to the vast Moslem forces following the line of Imam whose opposition to the Tudeh derives from their faith in Islam and the fact that no reconciliation is possible with any party that stands opposed to the very conception of a Divinely structured world.

In the last 50 years, the Iranian people have come to observe nothing but treason in the various actions of the Tudeh party. What better reason can there be than this for their ideological and political animosity to this party?

One does not have far to look to see that the Tudeh is in its orientation widely different and moreover at the opposite pole from the ideological configuration of the Islamic Revolution. The party has openly proclaimed that its primary objective is the achievement of socialism and ultimately, Communism.

While the toppling of the monarchical regime as an objective of the Tudeh party is one that could be condoned, we do not understand how a party with the avowed aim of establishing a Communist regime could ever present itself as true and sincere sympathizer of an Islamic Revolution.

We acknowledge that the Tudeh is indeed superbly dialectical and can meet with answers to almost any question, but the argument they should try most to impress on their misguided Marxist following is that a natural consequence of any opposition to the Islamic Revolution will be self-destruction.

A question and answer manual of the Tudeh Party (Volume 7) points out and rightly that the Fedayeen and the Mujaheddin Khalq Organizations earlier enjoyed greater popularity than they did at one time. "One sees how different the situation has turned out to be," it asserts quite proudly. Then it goes on to assert that the "party's strategy has been based on unity and struggle." What is such unity based on?

Political events over the last three years have shown that the Tudeh party has been smarter than the Mujaheddin Khalq, or the Fedayeen given the same situations. The Tudeh have made it their policy to stand and wait until the moment is opportune for launching an armed struggle against the Islamic regime. And until then unity it has to be until the sinister aim of establishing a Communist regime fructifies.

A fact of undeniable substance is the strength which the Islamic Republic moves on from day to day to set an example to the world's oppressed in a movement which will eventually cause heavy blows on the Superpowers in both camps. We see in this the reason for these Superpowers aligning themselves against the Islamic regime and the Tudeh party has chosen in biding its time to ally itself with Russia and yields submissively to its orders.

For this reason, the party must be viewed as the most dangerous and cunning force operating within the country and if vigilance is not exercised and strong measures taken to prevent such an eventuality, it will create many more problems for Islamic Iran than other leftist parties did.

Undeniably though it is that the Hypocrites (the MKO) and American leftists have inflicted and still continue to hurt the regime and have waged incessant war against the Revolution, it is foregone conclusion that they will be destroyed. But the brooding groups such as the Tudeh party with their sinister evil plots must not be underestimated and should be revealed to the people.

The Tudeh party adopts "the right tactic" in the most opportunistic manner available to it at the appropriate time. But at the same time they still never compromise on their total support for the Eastern Superpower -- Russia. In almost every issue of the party newspaper 'Mardom', there is never an omission of eulogy for Russia, its affiliated countries or articles devoted to propagation of Russian foreign policies.

In short, the Tudeh party will seek any way and adopt any tactic in the achievement of its goals and in efforts to prepare the social grounds for it. In this development, in addition to the vast knowledge that the party's leaders possess of Marxist ideology, it will no doubt seek help from the Russian secret services, adopt any hypocritical or opportunistic tactic that accords with Marxist-Leninist theorems in order to establish a Moscow-oriented puppet regime in Iran! But the future is bound to prove that they are totally wrong and that they will end nowhere!

by: MUSAVIAN.

POSITIVE INDICATORS CITED FOR ECONOMY

More Steel Output

Tehran KAYHAN INTERNATIONAL in English 28 Jan 82 p 1

[Interview with Minister of Commerce A. G. Mosalman, 26 Jan 82, place unknown]

[Text]

— TEHRAN, Jan. 27 (IRNA) — Minister of Commerce, Asgar Owladi Mosalman, in a press conference yesterday morning, referring to the shortage of iron beams, said that it was expected that the production capacity of the Isfahan Steel Mill would increase threefold during the next Iranian year, beginning March 21, 1982 and thus there would be no shortage of constructional iron beams. The government has purchased large amounts of iron from abroad which will be imported by 29 ships, he said.

Commenting on Iran's barter trade, the Commerce Minister said that Iran purchases goods from these countries which buy Iranian goods and this trade benefits both parties. He further added that the Islamic Republic of Iran had trade relations with all countries of the world whether eastern, western or the third world but what mattered for Iran was that those countries which purchase Iranian goods, be friends of Iran.

In one part of the press conference, Asgar Owladi Mosalman said that with the approval of the Economic Council, government facilities have been provided for increasing exports and such deals have been concluded on items such as caviar, pistachios and caraway seeds. As for items such as shoes, tricot fabric and other goods, negotiations were under way.

Tehran KAYHAN INTERNATIONAL in English 28 Jan 82 p 1

[Interview with Hoseyn Kazem, deputy for international and economic affairs]

[Text] — TEHRAN Jan 27 (IRNA) — The Deputy for International and Economic Affairs of the Foreign Ministry, Hoseyn Kazem pur Ardabili said today that the objective behind the foreign economic policy of the country was to transfer the centre of foreign trade from Europe and the United States to Asia and Africa.

Speaking to IRNA he also said that the intention was to draw technical and economic needs of the country from all over the world thus employing the best possibilities and at the same time becoming invulnerable towards any possible economic sanctions.

He further stressed the need for economic planning in the country and said that the direction of the economic relations of the country must be cohesive with the foreign policy.

In this regard he added, Iran has decreased the amount of economic cooperation with Western countries and had shifted to other countries.

The degree of cooperation and the economic policy of the country he said must be altered towards Muslim Non-Aligned countries and countries of the Third World and he stressed that this policy must be vigorously continued.

For instance, Ardabili pointed out, the balance of payments of Iran with Western countries had been decreased from 86 percent last year to 67 percent during the first nine months of the current Iranian year (March 21-Nov. 21 1981).

At the same time this per-

centage has been increased from 11.6 percent to 24.3 with countries outside the orbit of the two main power blocs.

He further reiterated that the Islamic Republic of Iran preferred to establish economic relations with Muslim Asian and African countries which have the ability to cooperate in the needed areas and at the same time not having any ties with countries such as the United States, the usurper regime of Qods, South Africa and countries with similar policies.

As for economic cooperation with Eastern bloc countries he said economic cooperation with these countries would be based on mutual respect for economic independence and freedom of action.

In the case of the world economic groupings, he said that in fact relations with such markets were independent because any economic cooperation with power blocs created obligations in cooperation which would ultimately result in the change of the economic and industrial structure of the country.

He said the Islamic Republic of Iran welcomed any market within the framework of the Muslim countries of the region. The intention was to create a balance and equilibrium in economic exchanges with other countries.

Speaking about the policy of exporting other goods other than oil he said that the major factor was not to limit oil revenues to only a few countries.

He said that by decreasing consumption and increasing domestic

production, the foreign exchange needs of the country would be halted and thus the way would be paved for the export of goods. Referring to repayment of loans extended to other countries by Iran prior of the Islamic Revolution, Ardabili said that parts of these loans were being paid back regularly.

However, he said that some of them like the one extended to South-Africa under the regime of the defunct shah, had not had any tangible results due to political issue.

But, he added, measures were underway in the Foreign Affairs Ministry and High Council of Investment in this respect.

He continued that other loans were connected to the execution of certain projects such as the building of atomic power stations, which, due to suspension of the project and discussion of these loans in special courts, the loans have been blocked.

He stressed that efforts were underway to attain them.

In conclusion, he said that economic missions would be dispatched to Sweden, Finland, Austria, Brazil, Argentina, Cuba, Greece and progressive Arab countries such as Libya, Syria and Algeria.

At the same time delegations were expected from India, Pakistan, Turkey, the German Democratic Republic, Socialist Republic of Czechoslovakia and probably from the peoples Socialist Republic of Albania for talks on the expansion of economic relations.

Optimism for New Budget

Tehran KAYHAN INTERNATIONAL in English 28 Jan 82 p 2

[Editorial by S. Moadab]

[Text]

After a lengthy discussion among the cabinet ministers and hundreds of meetings among the budget specialists of the plan organization with other governmental ministries and affiliated organizations finally the government of Prime Minister Mussavi has been able to write down its

budget and submit it to the Majlis. As every one knows deciding how much a nation of 36 million people is allowed to spend in a year and computing the relations between the revenue and expenses is not a very pleasant job.

Any time one budget technician from the plan organization went to discuss the matters with a person responsible for fiscal planning of a ministry not only should he have studied the priorities in the respective areas interested by co-debator he should have also acquired the art and patience to persuade him that because of the special situation in which we live in this revolutionary period he must talk about the priority of priorities. We have assisted in some of these heated discussions and we have witnessed how difficult the reaching of a compromise has been. But thanks to the brotherly sincerity of those responsible, at last the budget has been written in full detail.

Among the three main figures which form this 3047 billion rials budget of next year we read that taxes will be 682.2 billion, oil income 1489.2 billions and 100 billions of foreign trade income. If we compare respectively these three figures with the similar one of the year which has about 53 days before its termination we see that in the previous budget taxes formed 544.4 billion, oil revenue 1533 billions and foreign trade income the same as the present year. And so far as the governmental expenditure we hear in the premiers allocation to Majlis credits of constant investments 818.1/955.3 billions, present credits 2266.9/2424.5 billions, expenses and other payments 1814.7/1908.5 billions, repayment of foreign debts 52.2/41.0 billions, expenditures due to the imposed war 400/475 billions. In each fraction the numerator in the figure for the year 1361 and the denominator the one of 1360 all quotients being in present Iranian rials.

Very probably our readers know, more than we can write in an editorial, ~~about the budget of the present~~ Islamic government. But looking into the figures proposed by the budget specialists we see two very important figures; one and a half billion rials of aid for prisoners families and the same amount to the protection of inventors, and researchers. If we divide each of these last two shares of the general budget by 80 we get something around \$20 million. Apparently compared to the \$5 billion of war budget we find the previous figure is something like 0,4% of the war budget. And still it if its compared to the general budget it is almost negligible. Therefore if we talk here about this \$40 million it is not for its figurative importance but for other reasons.

The fact that the government will spend \$20 million for the prisoner's families reveals first that we do not hide that we have prisoners in Iran and secondly that if we arrest and imprison the plotters we do care about their relatives.

This interesting initiative of Mussavi's government represents the determination of the Islamic Republican government to confront any kind of plot and sabotage on one hand and the decision to help the families of a member which has not been loyal to the order of law on the other. And more surprising than these two facts is the public declaration of such an amount in the general budget is a sign of revolutionary boldness of the present government.

Concerning the second share of the budget: consecration of \$20 million for the protection of inventors and researchers and initiators we must be very proud and hopeful for our future. Such an attempt should demonstrate to our enemies that not only is this revolution not against science and technology but it does its best to prepare the necessary conditions for their progress and development.

As we know the inherent historical decline of each revolution is that revolutionaries prefer to fight in the precarious battlefields than to undertake research in calmness and peace in the scientific laboratories. But the fact that in our religion whatever is done for the sake of the revolution is done for Allah and vice versa to fight armed enemies is as valuable as to counter economic forces as we have all heard Imam Khomeini insist a few days ago that the universities must be opened in the near future and students and teachers should endeavor so that the Islamic Revolution penetrates profoundly the universities. We believe that there exists a logical relation between Imam's latest declaration and the prime ministers in announcing a special part of the budget for scientific achievements and innovation.

On the other hand this position taken by the government is a hopeful response to all those who have decided to work for the self sufficiency of us in order to reach the real stage of economic, technical and economic independence. All those whose projects have been waiting for money to be put to work will be happy of the premiers initiative when in the near future our fighters come back from the battlefronts after having defeated the Ba'athist enemy and new construction to rebuild is begun our researchers will need money to fulfill their duty and to play their respective role in helping the Islamic Iran stand upon its own powerful feet. We are certain that as soon as the imposed war is over more aids will be allotted to our inventors, initiators and investors.

FVOI CRITIQUES GULF COOPERATION COUNCIL MEETING

(Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 10 Feb 82

[Unattributed Commentary]

[Text] Compatriots! Agencies have reported that it is not accidental that the Gulf Cooperation Council [GCC] met in Manama, Bahrain, to study the danger emanating from Khomeyni's Islamic Republic that threatens the region's security and stability. It was not accidental that the Gulf countries met in Manama where, since last fall, Khomeyni's agents have plotted against Bahrain's regime--and had this plot not been uncovered and Khomeyni's spies not trapped Bahrain would not be burning in the same fire in which Iran has been burning for 3 years--but it was accidental that this conference was held at about the same time when Khomeyni's Islamic would be observing its anniversary--an event that inevitably makes one think of how everything has changed in a period of 3 years.

Not only were 3 years ago our rights in the Shatt al-'Arab and in the Persian Gulf not doubted by any Persian Gulf littoral state, but all of them were indebted to Iran's friendly policy and persistent cooperation with each and every nation and emirate in the region for the region's security and stability. Actually, 3 years ago instead of fearing Iran, its plots and instigations and meeting to discuss how contrary Iran's policy is for the region's security and stability, the Persian Gulf littoral states considered Iran to be their mentor. They knew that Iran did not covet Bahrain's territory. They knew that Iran was not against the independence of either Kuwait or Qatar. They knew that if they needed Iran's military assistance--as Oman did--Iran would not spare anything and would do all it could for their peace of mind. This is why all regional countries considered Iran to be their second homeland and the Shaykhs of Bahrain, Qatar, Kuwait and the UAE as well as the kings of Saudi Arabia and Oman visited Iran one after the other, held discussions with Tehran's officials, and cooperated in safeguarding the region's interests.

The situation has now completely reversed. Khomeyni and his ilk, who have (?satisfied) themselves with plundering Iran, are now--in the name of exporting the Islamic revolution--dreaming of how to plunder the wealth, gained from oil, of Bahrain, Kuwait, the UAE, Qatar, Oman and Saudi Arabia, which have flourishing economies and job markets, so much so that thousands of foreign workers have been attracted to these regions from the four corners of the earth.

In an extraordinary meeting held in Manama, the foreign ministers of Saudi Arabia, Qatar, Kuwait, Oman and the UAE not only unanimously defended Bahrain and its independence, condemning the Islamic Republic's efforts to weaken that country's regime, but they also declared that from now on they consider an aggression against any of these countries tantamount to an aggression against all of them. Naturally the GCC's motive is defense, not aggression, because none of the regional countries have any claims on Iran whereas all of them feel that Khomeyni's Islamic Republic has claims on each and every one of them. Experience has made them realize that the war with Iraq may be repeated with each and every one of them. Since continuous border instigations finally sparked off the flame of the war, which Khomeyni now does not intend to stop in any way, and if a remedy is not found before it is too late then it is not improbable that Khomeyni will use the same excuses to turn the entire Persian Gulf, with the flame he has sparked off, into the same hell as Iran's.

Saudi Prince [name indistinct] announcement, some time ago, that the Iran-Iraq war is actually a war between Iran and the Arabs is not a propaganda slogan and King Husayn of the Hashemite Kingdom of Jordan's first step in forming a corps of Arab volunteers to fight against Khomeyni's Islamic Republic proves that he knows that Khomeyni's (?true) objective is not Iraq. Iraq has turned into the shield for the other Arab countries, but actually Khomeyni intends to upset the region's stability. He has the same plans, as he had for Iraq, for Saudi Arabia, for North Yemen, for Oman and for Bahrain. Otherwise, what was the reason for turning the employees of the Islamic Republic's embassy in North Yemen into agents of a plot which, if not uncovered, would have threatened that country's regime? What other reason would there have been when he sent people to Saudi Arabia during the Hajj ceremonies to upset that country's calm? Had the Saudi security agents not acted in time, only God knows what critical impacts these instigations would have had. What reason would there have been to send spies to Bahrain. Was it to repeat what the terrorists did in Egypt, to kill the heads of that country's regime and immediately ask for assistance and cooperation from Khomeyni's Iran?

With these obvious facts, it is natural for all of Iran's neighbors to be terror stricken, and that all of them form a front against Khomeyni's Islamic regime and join hands to confront it. If at the beginning of the revolution, Khomeyni was able to make a world believe that he is the harbinger of justice, that he is a (?defender) of peace and freedom and the propagator of welfare and happiness of mankind, today after 3 years and with all he has done to our calamity-stricken Iran, he cannot deceive anyone. The best example to prove this point, is the similarity of views of Iran's neighbors in confronting a regime, which brought nothing but adversity, calamity, murders and plundering and which can bring nothing but distress, vagrancy, hardships and chaos for others too.

May this alertness of the people of the world come to the aid of our exhausted people, and--by decimating the Mullahs' regime of force, repression, suppression and oppression--allow not only our people, but the people of the entire region, not only the people of the entire region, but the people of the entire world to sigh with relief and to save themselves from the clutches of a nightmare that has stifled a world.

BRIEFS

SOME PRISONERS TO BE FREED--Tehran, 4 Feb (AFP)--A number of Iranians jailed by army courts are to be freed to mark the third anniversary of the revolution, the daily ETTELA'AT reported here today. In an interview, the army courts' religious judge, Hojjat Ol-Eslam Rey-Shahri, said they would be freed "on condition they are not members of, or sympathisers with, political splinter groups and have understood that the path they chose was wrong, in the case where they were members of splinter groups." "On the whole," he added, "when we feel that a prisoner is reformed, or if not reformed is not harmful to the revolution out of prison, we free him." [Text] [NC041833 Paris AFP in English 1741 GMT 4 Feb 82]

RUMORS ABOUT KHOMEYNI'S HEALTH--Tehran, 5 Feb KYODO--There is no truth to rumors that Iranian leader Ayatollah Ruhollah Khomeyni's health is failing, his brother has told KYODO news service. In a rare interview in the Iranian holy city of Qom, Ayatollah (Pasandideh) said he had met with Khomeyni in Tehran three months ago, and had spoken with his brother on the phone several times since. "I am not so well now, but he looks better," the 90-year-old patriarch said through an interpreter. The religious leader, asked about the Iran-Japan petrochemical project, observed that he understood it was 80 percent completed. However, he said the complex in southern Iran has been badly damaged in the Iran-Iraq war, and could be difficult to complete. He also lashed out against the American use of the veto in the United Nations Security Council, saying the United States is blocking world opinion. "They claim that it is a majority that is ruling in the world. But you can see the veto. It is totally a lie," the ayatollah said. [Text] [OW050913 Tokyo KYODO in English 0904 GMT 5 Feb 82]

DELEGATION ARRIVES IN BEIJING--Beijing, 6 Feb (IRNA)--The Iranian mission to China, Hong Kong and Japan arrived in Beijing on Friday. The delegation which was headed by Hojjat Ol-Eslam Sarafriz, was welcomed by the charge d'affaires of the Islamic Republic Ministry of China and the undersecretary of Islamic Associations of China. The Iranian mission then participated in the Friday prayers of Beijing. After the prayers, the Muslims gathered around the Iranian delegation and expressed their interest in Imam Khomeyni and the Islamic Revolution of Iran. Then the head of the delegation explained the positions of the Islamic Revolution for Beijing Muslims and answered their questions. Posters, books and pamphlets were distributed among the Muslims. [Text] [LD061052 Tehran IRNA in English 0951 GMT 6 Feb 82]

REACTION TO ATTACK ON FRG ENVOY--Tehran, 9 Feb (AFP)--An Iranian Government spokesman said today that the attack on West German Ambassador Jan Petersen here yesterday showed that the "counterrevolution" wanted diplomats to believe that "there is no security in Iran." But spokesman Ahmad Takavoli told a news conference that given the authorities recent success against opposition elements--10 leading left-wing Mojahedin e-Khalq were killed in a gun-battle in Tehran yesterday--repetitions of such actions were "very improbable." Mr Takavoli, who did not comment on who was responsible for yesterday's attack on the envoy, added that Iran would "act in conformity with its commitments to safeguard the lives of all diplomats." He added that some countries that had poor relations with Tehran maintained embassies here. Others got along well with Iran, and others had excellent ties with the Iranian Government. Mr Takavoli did not evaluate Iranian-West German relations. Although Iran generally has better ties with West Germany than with other Western nations, there has reportedly been some tension over Bonn's criticism of Tehran's human rights record. [Text] [NC091049 Paris AFP in English 1044 GMT 9 Feb 82]

LIBERATION MOVEMENTS SEMINAR--Delegations attending the world liberation movements seminar met for the second day in the heroic city of Ahvaz yesterday. In yesterday's session, the representative of the Omani Liberation Front [Jabhat Tahrir 'Uman] reviewed the bloody struggle the Omani people have waged throughout history and noted that the Omani people helped to spread Islam throughout Africa. Speaking about Iran's Islamic Revolution, he said: The triumph of this revolution has had a positive effect on Muslims, particularly the Muslim Omani people. He paid tribute to the Muslim Iranian people and their martyrs and urged them to continue their efforts and sacrifices. An Iraqi Mujahid talked about the triumph of the Islamic Revolution in Iran, which through its victory has dealt a blow to the interests of international oppression. Referring to the intrigues and plots that are being hatched by the enemies of the revolution, he said: Despite all the enemies' feverish plots, the world's oppressed--as God promised--will inevitably be victorious. Referring to the crimes the Saddamist regime has committed against Iraqi Muslims, he said: The Muslim Iraqi people have pledged to God and Imam Khomeyni that they will mobilize all their forces to topple Saddam's regime and achieve victory for their expected Islamic Revolution. [Text] [GF050600 Tehran International Service in Arabic 0400 GMT 5 Feb 82]

COMMENTS ON SAUDI MINISTER'S INTERVIEW--In an interview with the London-based magazine AL-HAWADITH, Saudi Defense and Aviation Minister Sultan Ibn 'abd al-'Aziz has called for an end to the Iraqi war against Iran. The Saudi minister's call comes at a time in which the Saudi regime's American-made weapons are pouring into the Iraqi battlefronts. The call also occurs at a time in which Saudi Arabia is extending millions of dollars worth of military and economic aid to Iraq, thus encouraging and abetting Saddam in his aggression against the Islamic Republic of Iran. [Text] [GF050606 Tehran International Service in Arabic 0400 GMT 5 Feb 82]

U.S. MUSLIM AT REVOLUTIONARY ANNIVERSARY--The guests participating in the Islamic Republic's third anniversary of the victory of its glorious revolution yesterday visited Tehran's bazaar. A Lebanese guest addressed those present on this occasion on how to have a leading role in Islamic societies. He noted that Imam Khomeyni is the leader of the world's oppressed. A U.S. Black Muslim woman referred to the warm welcome the guests received during their visit to the Tehran bazaar and said: We miss this popular cohesion in the United States. While referring to the writings of 'Ali Shari'ati, an Iranian researchers on unlimited Islamic brotherhood, she said: Muslims should regard their fellow Muslims throughout the world as brothers. The U.S. Muslim woman continued: Today I can feel this brotherhood and understand it. [Excerpt] [GF051831 Tehran International Service in Arabic 0700 GMT 5 Feb 82]

DELEGATION TO FAR EAST--The Islamic Republic of Iran's delegation to China, Hong Kong and Japan, led by Hojjat ol-Eslam [name indistinct], left Tehran yesterday. During its Far East tour the delegation is scheduled to meet with Muslims and popular groups and will inform them of the achievements of Iran's Islamic Revolution. In a predeparture statement, the delegation's leader said: The main purpose of this visit is to present the Islamic Revolution's position and achievements to officials and various groups in the countries we will be visiting. [Text] [GF050840 Tehran International Service in Arabic 0700 GMT 5 Feb 82]

MAHDAVI-KANI IN NEW DELHI--The delegation from the Islamic Republic of Iran that is visiting India met yesterday with Indian External Affairs Minister P.V. Narasimha Rao. They discussed bilateral relations, the situation of Muslims in India and Iran's view on convening the nonaligned conference in Baghdad. Delegation leader Ayatollah Mahdavi Kani stressed that the Islamic Republic of Iran expects [tatawaqqa'] that India will not participate in this conference in order to indicate its denunciation of the aggressor. The Iranian delegation attended Friday prayers at (al-Jama) Mosque in Delhi. Following the prayers, Ayatollah Mahdavi Kani made the following statement to the congregation of Indian worshipers: We call for the unity of Muslims throughout the world. We also look forward to reinforcing relations among all Muslims. The head of the Iranian delegation explained and compared the political, economic, social and religious situation in Iran before and after the Islamic Revolution. [Excerpt] [GF060715 Tehran International Service in Arabic 0400 GMT 6 Feb 82]

DELEGATION IN NIGERIA--The delegation of the Islamic Republic of Iran to Nigeria has met with Nigerian President Shehu Snagari. The meeting was attended by the charge d'affaires of the Islamic Republic of Iran in Lagos who conveyed a message from President 'Ali Khamene'i to the Nigerian president. The charge d'affaires congratulated the Muslims in the two countries on their joint struggle against Zionism and the racist government of South Africa and hoped that bilateral relations would be reinforced and developed. In response, the Nigerian president said that the exchange of such delegations is an (?ideal) step in the direction of reaching an understanding between the two countries. Then Hojjat Ol-Eslam (Safa'i) [presumably the head of the delegation] explained the dimensions of the Iraqi war imposed to Iran and explained the stand of the Islamic Republic of Iran on it. Earlier, members of the Iranian delegation participated in Friday prayers held in Lagos. After the prayers they met with the Friday imam of Lagos and a group of Muslims. [Text] [GF061324 Abadan NIOC Radio in Arabic 0830 GMT 6 Feb 82]

BAHRAIN, AFGHAN FRONT MEMBERS--Representatives of the liberations fronts of Bahrain and Afghanistan spoke about superpower plots to crush the international Islamic Revolution during the fifth session of the seminar of the world liberation fronts currently meeting in the steadfast city of Ahvaz. A representative of the Bahrain Liberation Front said in part that after the victory of the Islamic Revolution in Iran the Islamic masses in all Islamic countries arose. Elements of international arrogance tried to belittle these popular uprisings. The representative of the Bahrain Liberation Front stressed that Muslims in the region will not submit to injustice and tyranny despite plots by the agents. The representative of the Afghan Liberation Front addressed the seminar praising the morale of the Muslim combatants on the warfronts who fight injustice. He reviewed the struggle activities of the Muslim Afghan Mujahidin to achieve freedom from foreign domination. [Text] [GF070511 Tehran International Service in Arabic 2000 6 Feb 82]

'AZIZI PRESS CONFERENCE IN MEXICO--Special celebrations were held yesterday at the Iranian Embassy in the Mexican capital on the third anniversary of the victory of the Islamic Revolution of Iran. At the end of these celebrations, Ahmad 'Azizi, Foreign Affairs Ministry under secretary of the Islamic Republic of Iran who is currently visiting Mexico at the head of a delegation, paid a visit to the embassy where he attended a press conference. Explaining the purpose of his visit, 'Azizi said: The purpose of my visit is to hold direct contacts with the international media and to explain the aims of the Islamic Revolution. He added: The goals of the Islamic Revolution have been distorted by the imperialist and Zionist media. On Iran's relations with the other countries, the Iranian Foreign Ministry under secretary noted: Our relations with the oppressed countries in Latin America and Africa have a prominent position in the foreign policy of the Islamic Republic of Iran. On Iran's position on the uprising of the Salvadoran people and other liberation movements in Latin America, Ahmad 'Azizi said: The Islamic Republic of Iran frankly announced its full support for the struggle of the Salvadoran people against the American ruling regime in El Salvador. Moreover, the revolutionaries in Latin America must rely on themselves in their struggle against imperialism. They must neither be dependent on East nor West. [Text] [GF100919 Tehran International Service in Arabic 0700 GMT 10 Feb 82]

REVOLUTION ANNIVERSARY MILITARY PARADE--On the occasion of the 22 of Bahman, the day on which the Islamic Revolution achieved victory and the Iranian Muslim people gained their will, a military parade, in which representative units of the armed forces of the Islamic Republic of Iran participated, took place today. Tehran also witnessed large popular demonstrations today in which the Iranian Muslim people reaffirmed their commitment to the leadership of Imam Khomeyni and to the Islamic Revolution. These demonstrations are still continuing. Thousands of citizens of Tehran and other cities and provinces participated in the demonstrations. [Text] [GF110751 Tehran International Service in Arabic 0700 GMT 11 Feb 82]

FOREIGN MINISTER VELAYETI INTERVIEWED--In an interview with the Kuwaiti newspaper AL-WATAN, Foreign Minister of the Islamic Republic of Iran Velayeti commented on Iran's relations with the Persian Gulf states and said: We wish to have friendly relations with these states so that the region can live in peace and stability. The foreign minister added: If our neighbors, especially the Muslim states, did not adopt a hostile view on us we could certainly live with them in peace according to the articles of the Iranian constitution. Velayeti said: We believe that all the region's states and even all the Muslim states should unite against the joint enemy; namely, arrogance [al-istikbar] and Zionism. In his interview, the foreign minister noted the assistance Kuwait has offered to Iraq. He said: We know that this aid takes place under Iraqi pressures and conspiracies and is contrary to Kuwait's desire. Thus, we overlook this matter and stress to Kuwaiti brothers that we will cut Iraq's hand off if it attempts to attack Kuwait's borders or Bubiyan Island. Commenting on Iranian-Palestinian relations, the foreign minister said: The Palestinian question is the principal question of the Islamic states. He explained: Iran is rather concerned about solving this question. It is not doing this in order to please anyone but because it considers that it is part of its foreign policy strategy to solve the Palestinian question through the correct method and by avoiding submissive stands. We shall not hesitate to support Palestine and the struggle against the Zionist entity. [Text] [GF111026 Tehran International Service in Arabic 0800 GMT 11 Feb 82]

DELEGATION TO YUGOSLAVIA--The Iranian delegation currently visiting Yugoslavia and Hungary has visited the city of Sarajevo, capital of the Republic of Bosnia and Herzegovina, northwestern Yugoslavia, whose population is primarily Muslim. The members of the delegation met with information, foreign relations and [word indistinct] ministers from this republic. They also met with its mufti and inspected the Islamic school and college and the city mosque. They explained the accomplishments of the Islamic Revolution to the city's Muslim residents. [Excerpt] [GF111915 Tehran International Service in Arabic 1730 GMT 11 Feb 82]

DELEGATION MEETS DPRK PRESIDENT--DPRK President Kim Il-song has reaffirmed his absolute support and the Korean people's full support for the struggle waged by the Iranian people led by Imam Khomeyni against international oppression. This support was expressed during a meeting in Pyongyang between President Kim Il-song and the Iranian delegation led by Education and Training Minister 'Ali Akbar Parvaresh on the 3d day of the delegation's visit to the DPRK. During the meeting DPRK President Kim Il-song congratulated the visiting Iranian delegation on the third anniversary of the triumph of the glorious Islamic Revolution in Iran. The leader of the Iranian delegation, Dr Parvaresh, then thanked President Kim Il-song and declared the support of the Islamic Republic of Iran for the Korean people's efforts to unify North and South Korea. Last night the Iranian delegation held a 3-hour meeting with the chairman of the education committee and other DPRK cultural officials. [Text] [GF120813 Tehran International Service in Arabic 0700 GMT 12 Feb 82]

TEACHERS COLLEGE REOPENS--According to the Central News Unit, at the same time as the ceremonies to mark the 10 days of dawn festival, the Teacher Training University reopened today with the recitation of verses from the glorious Koran. During the reopening ceremonies of the Teacher Training University, the university chancellor spoke about the mission of a university, the university Jihad, and students' welfare problems. Following this, the academic head made a speech on education criteria in Islam, the evaluation of science in Islam and the current duties of students and professors in universities. Lectures will begin in the Teacher Training University tomorrow morning with participation of more than 300 students from various parts of the country studying physics, chemistry and mathematics. [Text] [LD061340 Tehran Domestic Service in Persian 1030 GMT 6 Feb 82]

TEHRAN MILK, MEAT SHORTAGES--Due to a shortage of milk and meat, the regime of the Islamic Republic has changed the rationing system for these items. It has announced that the distribution of milk and meat in any Tehran district will be reduced in accordance with the number of residents in the district. The primary reason for the change in rationing is that Australia and New Zealand, which were exporting meat to Iran, stopped their shipments several weeks ago because the Islamic regime was unable to pay for the goods it ordered. [Text] [GF081638 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 8 Feb 82]

MISCONDUCT BY OFFICIALS IN WASHINGTON--According to the Voice of Iran correspondent in the United States, personnel in the Iranian Interests Section of the Algerian Embassy in Washington are guilty of misusing funds. This activity has angered our compatriots in the United States. According to this report, a number of Hezbollahis and Savama agents allegedly working in the Iranian Interests Section of the Algerian Embassy as diplomats not only do not pay attention to the problems of Iranians but also ask for huge payments for routine work. According to the same report, each Iranian has to pay \$250 for renewal of passports. The same thing formerly cost only

\$10. Our correspondent adds that Iranians who are temporarily residing in the United States have sent several complaining letters to Khomeyni's office in Washington, but the regime's agents destroyed the letters in order to continue misusing the funds. [Text] [GF091220 (Clandestine) Voice of Iran in Persian 0330 GMT 9 Feb 82]

AIR RAID WARNING--This is Bushehr, Voice of the Islamic Republic of Iran. Dear listeners, the sound that you are about to hear indicates that an air raid is imminent. [Sound of siren]. [Text] [GF091324 Bushehr Domestic Service in Persian 1315 GMT 9 Feb 82]

RAJAVI'S REACTION TO RAID--Reports from Paris indicate that Mas'ud Rajavi did not believe the reports on the death of his wife and friends in Tehran and that he was waiting for reports from his colleagues in Iran until about midnight on Monday. According to the same report, once the reports were confirmed Rajavi was extremely upset and after a few minutes he said: The death of Musa Khiabani, of my wife and my other co-strugglers in the Mojahedin-e Organization is a severe blow to our movement. But as long as I am alive, I will continue the struggle to overthrow Khomeyni's regime. It should be recalled that exactly 3 years ago in those days Musa Khiabani was struggling side-by-side with Khomeyni's mercenaries to bringing the murderous and anti-Iranian regime of the fundamentalist Mullahs to power. [Text] [(Clandestine) Voice of Iran in Persian 0330 GMT 10 Feb 82]

FVOI COMMENTS ON IRAN-USSR GAS NEGOTIATIONS--The so-called Islamic Republic's relations with the Soviet Union are expanding. (?This has been reported) by a Free Voice of Iran correspondent who writes that Khomeyni's Energy Minister, Hasan Chafuri-Fard, is now in the Soviet Union discussing the sale of Iranian gas to the Soviet Union and the purchase of two electricity generators. These transactions are among the topics brought up during the talks between the energy minister of Khomeyni's antinational regime with the Soviet Minister of Mines and Industries, the Director of Foreign Trade, and the Deputy Minister of Trade of the Soviet Union. No reports are available so far on the figures proposed for the sale of Iranian natural gas to the Soviet Union. However, its price should be much lower than the prevailing world price since Moscow exports the gas purchased from Iran to its satellites in Eastern Europe, as well as to some countries in Western Europe, and gains huge profits from these (?sales). The price of gas (?exported by the Soviet Union) has always been a topic of discussion between the two countries. [Text] [NC102212 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 10 Feb 82]

INCREASING MONARCHIST ACTIVITY REPORTED--AFP has reported from Tehran that officials of Khomeyni's regime strongly fear the expansion of the Iranian monarchists' activities against the ruling regime and are unable to prevent the further strengthening of the ranks of these patriots. While listing the victories achieved by the monarchists recently, AFP quotes the Clerical Government sources and adds that officials of Khomeyni's Islamic Republic are greatly concerned with the daily-increasing activities of these patriots. It is necessary to recall that this same agency had reported that the Amol City rebellions' victorious attack on government forces was a plan of the monarchists, who were able to display (?part) of their strength and to show Khomeyni's regime that the next blow will not be inflicted only in Amol but throughout Iran. [Text] [NC111509 (Clandestine) Voice of Iran in Persian 0330 GMT 11 Feb 82]

ACTING GOVERNOR OF DARAB--Mahmud Bamdad, the FARS governor general's representative and expert at the FARS Agricultural Department, has been appointed acting governor of Darab. [GF051846 Shiraz Domestic Service in Persian 1500 GMT 4 Feb 82]

ARYANA, OVEYSI, MARAGHE'I UNITY CALLS--Generals Aryana and Oveysi have once again issued separate statements, expressing their support for the formation of Dr 'Ali Amini's Front for National Salvation. Rahmatollah Moqaddam Maraghe'i, former member of the Islamic regime's council of experts and the person in charge of compiling the regime's constitution has issued a statement in Paris calling on Khomeyni's opponents to unite. [Text] [(Clandestine) Voice of Iran in Persian 1805 GMT 3 Feb 82]

CSO: 4640/152

ISRAEL

HERZOG ON ISRAEL'S STATUS AT UN

TA101023 Jerusalem POST in English 10 Feb 82 p 10

[Commentary by Hayim Herzog: "At America's Mercies"]

[Text] The recent UN resolution condemning Israel's action over the Golan must be seen in its correct perspective. True, the General Assembly has no "teeth" and the resolution will have no immediate practical effects. But it would be extremely short-sighted to ignore the decision.

The international hypocrisy which characterizes this--and all other--UN resolutions regarding Israel is clear to all fair-minded individuals. For countries such as the Soviet Union, Iraq and Libya to sermonize is nothing short of ludicrous. But these are the facts of life in the UN.

However unimportant the UN resolution itself may be, the voting figures are a reliable indicator of Israel's current international position--and they are, therefore, important.

The resolution is one of the most severe and most hostile passed at the UN. It was introduced during an emergency General Assembly which was convened under the so-called "uniting for peace" procedure.

This procedure, created by the United States during the Korean war, has not been used often. Between 1956 and 1967 it was used five times--in the connection with Suez, Hungary, Lebanon, the Congo, and the Middle East (in 1967). Perhaps the most notable use of the procedure occurred during the crisis that followed the Soviet Union's invasion of Afghanistan. The Golan debate represented the ninth occasion on which it was invoked.

This procedure, coupled with the language of the resolution itself, constitute a major political assault on Israel.

But what is truly important is the opportunity it provided to measure Israel's political standing internationally.

Many point to the vote of the European community, excluding Greece, as providing a ray of hope. But the vote of the West European bloc must be seen in the context of the resolution, which is in fact a prescription for the destruction of Israel.

The Western community has generally been very careful, within the framework of the UN voting pattern, not to side with a position which brings into question Israel's very existence. This differs radically from votes on issues on which there is a debate not only in the international community but also within Israel itself. In such cases, the overwhelming vote--even of the Western community--often goes against Israel.

A debate which went to the root of Israel's existence was held in the UN General Assembly in 1975, when a resolution was proposed equating Zionism with racism. A comparison of the vote on that resolution with the vote on last week's resolution shows a very severe erosion of Israel's position internationally--on the issue of Israel's very existence.

In November 1975, the UN totalled 142 members. Of these, 72 voted in favor of the resolution equating Zionism with racism; 35 including all the Western countries voted against, while 32 abstained and three were absent. In all, 70 countries did not vote for the resolution. In other words, 50 percent of the UN member states were unwilling to go along with a resolution condemning Zionism. The bulk of the support, therefore, came from the communist, Arab and radical Third World blocs.

Today, the UN numbers 156 members. Of that number, only 21 (as opposed to 35 in 1975) voted against the resolution and 34 abstained. In other words, the number of countries unwilling to commit themselves to Israel's destruction in the UN by openly taking a stand against the resolution or abstaining from it has gone down to about one-third of the UN's members.

This is a measure of the increasing degree of isolation in which Israel finds itself. Had the U.S. ambassador not made it clear that a vote for the resolution would be a vote against the United States, the result might have been even worse.

As it is, almost 90 countries voted for a resolution which called for an economic, political and military boycott of Israel and for its complete isolation.

Thus, while it is still possible to draw comfort from the unchanged position of Western leaders, the change in the voting pattern on so vital an issue for Israel--and on a resolution sponsored by so radical a country as Syria and backed by the Soviet Union--must give rise to very considerable concern.

The danger in this resolution lies not so much in its immediate effects, but rather in the fact that it is part of a process which is eroding Israel's international position.

Comparisons have been made with the fate of South Africa in the UN and the possible fate of Israel. South Africa is still a member of the UN, but in 1974 and in 1979 the credentials committee of the General Assembly refused to accept the South African delegation's credentials, and since 1974 South Africa has not been able to take its seat in the General Assembly.

The credentials committee, which rules on this matter, is appointed each year by the president of the General Assembly. So, unless the United States takes a strong

unequivocal position in advance, with a clear threat to withdraw from the General Assembly if action is taken against Israel (as it did in the case of the international labour organization), there could be serious problems for Israel at the next General Assembly.

It is well for Israel to remember, however, that despite the fact that the United States, Britain and France repeatedly vetoed resolutions in the Security Council calling for sanctions against South Africa, they were ultimately forced to support an embargo on the supply of arms to South Africa in a resolution which was passed in 1977. On that occasion, Menahem Begin's government sent not one but two letters to the secretary general of the UN undertaking to abide by the sanctions decision.

The problem now facing Israel, therefore is the cumulative effect that such action in the UN can ultimately have.

The stand taken by the United States delegation was a most welcome one. But, paradoxically, it also emphasized Israel's central weakness: Israel now depends on the United States for economic and military aid, which is of great importance. Above all, however, Israel depends almost entirely on the United States for political support. This, again, is a function of the erosion of Israel's international position which has occurred over recent years, and it means that Israel would be unwise not to return to the policy of coordinating moves in advance with Washington.

The only thing standing between Israel and a sanctions vote in the Security Council is the raised hand of the U.S. representative. This means that Israel is increasingly standing, not to mention its economic and military well-being.

The more massive the political attack on Israel in the UN, the greater its dependence on the United States.

The debate in the Security Council and in the emergency General Assembly, with the consequent focus of international attention on the Golan Heights, was the result of a very ill-advised move to apply Israeli law to the Golan. This occurred at a time when Israel was, in fact, free to do as it wished in that area without arousing the opposition of the world.

What is disturbing in this development is that the decision was not thought out within the framework of an analysis of the political options which could well face Israel in the near future. An analysis of the political developments in the area--developments in Syria and in Lebanon, the decision of the Syrian Government to reach a degree of military balance with Israel and the provisions of the Soviet-Syrian friendship agreement--reveal the fact that sooner or later Israel might well be facing certain trials of strength. These will certainly be political, and possibly also military.

The tragedy is that no detailed analysis of possible developments in the Middle East, and particularly in the north, was apparently made. According to published reports Begin announced the Golan decision at a hastily summoned meeting of his cabinet. No analysis of the possible consequences was presented or even discussed in at any detail. The net result is that the political basis for Israel's possible future trials of strength has been greatly eroded by the ill-conceived Golan law.

This law, in effect, added not one single tree or hut to Jewish settlements in the Golan. At the same time, it has created an international atmosphere which must considerably narrow Israel's freedom of action in the near future.

Instead of preparing a suitable political basis for any possible confrontation, diplomatic or military the Golan law, with its resultant developments at the UN, has weakened Israel internationally. Conversely, Syria, which closely coordinated its UN moves with the Soviet Union, has strengthened its political position and gained points in preparation for possible future developments.

By encouraging the very dangerous process which is taking place in the international community with regard to Israel--a process which has come to expression so brutally in the UN General Assembly resolution--the Golan law emerges as a major error: It has achieved nothing for Israel on the Golan Heights; rather, it has prejudiced Israel's position internationally in possible future developments in the area.

There is a facile tendency to brush off resolutions in the UN as being unimportant: the fact is however, that they do reflect the attitude of the individual countries to Israel. As such, they cannot be ignored.

When such developments occur because Israel must protect its vital interests, these interests must obviously take precedence over any other considerations. But when they occur because of an apparent ungovernable instinct to indulge in rhetoric, words and demonstration by way of legislation, one must ask whether such developments are the product of a detailed scientific evaluation and analysis or of momentary whims and flights of fancy. If the answer is the latter, we surely have much to be apprehensive and concerned about.

CSO: 4400/124

ISRAEL

'POST' COMMENTARY DECRIES U.S. CARTOGRAPHIC UNIT

TA041220 Jerusalem POST in English 4 Feb 82 p 8

[Commentary by Martin H. Miller: "Misleading Maps"]

[Text] A little-known unit in the U.S. State Department has been able to contradict history, mislead American policy-makers and the public, and spearhead the dissemination of misinformation about Israel, Jordan and the so-called "West Bank" in atlases, encyclopedias, textbooks and other reference materials, including the Information Please Almanac 1982, which boasts on its cover that it is "The almanac used by the NEW YORK TIMES information service world wide."

The unit is the Office of the Geographer in the State Department's Bureau of Intelligence and Research. Headed by Dr Lewis Alexander, its staff consists of four cartographers, six analysts and two secretaries.

The Office of the Geographer maps the official U.S. position on sovereignty issues of all kinds, political divisions and the lands and waters encompassed by the nations of the world. Government agencies preparing maps that include foreign countries review them with the Office of the Geographer. The cartographers of the CIA work closely with the staff of the Office of the Geographer. And nongovernment publishers of maps may submit them to the Office of the Geographer, which will review them.

Although private mapmakers are not legally bound to accept the recommendations of the Office of the Geographer, its recommendations carry a great deal of weight.

The mischief-making accomplishment of the Office of the Geographer with respect to the Middle East is the identification of some 5,900 square kilometers of land on the West Bank of the Jordan River, occupied by the Jordanian Arab Legion in Israel's war of independence in 1948, as an inherent part of the Kingdom of Jordan.

Anyone looking at a map of the "West Bank" could well ask himself, "What business does Israel have here? It is part of Jordan."

Immediately, Israel then becomes a transgressor, a culprit. Subconsciously if not consciously, government policy-makers may be influenced in their attitude toward Israeli actions in the area by this allocation of it to Jordan.

In small State Department maps, the area is simply shown as part of Jordan. In larger maps, the area is shown within the boundary lines of Jordan with hatching or other markings to indicate that it is Israeli-occupied. These examples are emulated by the Information Please Almanac, the 1980 Hammond Medallion World Atlas, the huge 1981 Rand Commercial Atlas and Marketing Guide and other reference works.

The Office of the Geographer model is followed even when a textbook or almanac contains data that may disprove it. Prof Richard Nyrop, of American University, for example, was embarrassed when I asked him why his otherwise first-rate book, Jordan, a Country Study, showed the "West Bank" as part of Jordan in several places, while the book carries a description of King Husayn's renunciation of Jordanian claims to the area.

This book on Jordan is one of a series produced under grants from the Department of the Army. Nyrop avoided a hassle by adhering to the "official position."

Jim Anderson, alert UPI correspondent, called the attention of the briefing officer to the State Department's omitting Israel completely in a map of the Middle East in the lobby display welcoming Jordan's King Husayn last November 2. The Department swiftly changed the display.

At about the same time, I bought a copy of Status of the World's Nations in a U.S. Government bookstore. This was prepared by the Office of the Geographer, as was the accompanying map. When I saw that the map showed the "West Bank" as part of Jordan, I wrote to Secretary of State Alexander Haig. Geographer Lewis M. Alexander responded.

He noted that I was correct in my observation that only Pakistan and Britain had recognized the sovereignty of Jordan over the area. Nevertheless, Alexander continued, "The United States Government has been consistent in its portrayal of the Israel-Jordan armistice line on all official maps, and it will continue to portray the line in this manner until the time of final resolution." He included a copy of the Camp David agreements with his letter.

What Alexander failed to discuss is more significant than what he told me in his letter. Nowhere does he explain why the Office of the Geographer has awarded the land to Jordan in perpetuity--or until Jordan is willing to meet with Israel, Egypt, the U.S. and representatives of the Arab residents of the "West Bank" and agree upon boundaries.

Nor does he attempt to explain why his map of the world shows Latvia, Estonia and Lithuania as a solid part of the Soviet Union while his office refuses to recognize the change in the Middle East as a result of the Six Day War.

Surely, if the Office of the Geographer is applying morality to its cartography, it should acknowledge that Jordan had no legal claim to the "West Bank" in 1949; that it had even less after 1967, when it attacked Israel after being urged by Israel not to, and lost the area to Israel; and certainly none after 1974, when King Husayn renounced Jordan's claims to the area at the Arab League's Rabat conference.

There is an element of hope. When I talked with Alexander on the telephone, he told me that the decision, which I believe flouts history, misdirects policymakers, misleads the general public and ignores the renunciation by Jordan of its claims, was made by his predecessor, who died on December 2, 1979.

Alexander says he is willing to consider the case for correcting the maps of the State Department.

CSO: 4400/124

W. BANK LAND DEALINGS DISTURB JEWS, ARABS

TA100912 Jerusalem POST in English 10 Feb 82 p 3

[Report by David Richardson]

[Text] The ongoing activities of surveyors, contractors, military government officials and free-wheeling dealers and speculators has caused concern among residents of the West Bank--this time both Jewish and Arab.

Villagers from the Nabulus District are threatening to go to the High Court of Justice, merely because of the perceived threat in the appearance of surveyors in the area earlier this week. And the Council of Jewish Settlements in Judaea, Samaria and the Gaza District has denounced "fraudulent and dishonest methods" involved in the purchase of land in the area.

The villagers from Qarawah and Sartah in the Nabulus District have reportedly asked lawyers to find out whether the activities or surveying teams in their area pre-stage land seizures and further settlement activity.

Yesterday, the military government informed residents of Kafr Qallil, Burin and Kafr Laqif in the vicinity of Mt Gerizim also in the Nabulus District that 200 dunams of their land has been seized for military purposes.

In the Jericho area, tractors have begun excavating 140 dunams of land in an area known as Wadi an-Nawm, north of the town. Military government officials have reportedly informed local farmers that the land is being held by the custodian of absentee property.

The statement from the Council of Jewish Settlements follows numerous reports that private deals involving the purchase of land from West Bank Arabs by Israeli individuals and companies have been accompanied by fraud and sometimes threats of violence.

Police in the Sharm ash-Shaykh District are currently investigating allegations that several young Israeli Arabs, acting as agents for Jewish businessmen, forced an elderly resident from a village in the Tulkarm area to put his thumbprint to an agreement to sell his land.

"This peddling compromises the purchase of land for national goals and for the land reserved for Jewish settlement," the statement, published yesterday, claims.

Only after massive pressure and wide-spread political activity (by the settlements) was it possible to permit the free purchase of land from Arabs. But this possibility is being exploited by speculators for aims not related to the redemption of the land and its settlement.

The activities of the speculators and numerous middlemen who serve to protect the identity of the seller have caused land prices in the area to rise, making it more difficult for the settlements to purchase land they wish to add to their reserves.

The decision to allow private individuals to purchase land in the West Bank was taken unanimously by the previous government in September 1979, despite the reported misgivings of several ministers; including the late Moshe Dayan.

Several land deals have collapsed, often with the purchasers losing most of their investment when it emerged that their middlemen produced fraudulent certificates of title or land tax returns which also serve as a basis for determining ownership in the labyrinthine complex of land law.

One of those who did lose money was former Finance Minister Yita'el Hurvitz.

The uncertainty of land transactions involving Israelis is exacerbated by the almost total absence of accurate land surveying and parcelization, and a military government order which does not require contracts to be submitted to the local land registry office.

This order, which is in fact the extension of a Jordanian order which demands registration only within five years, was extended last year for a further period of five years partly to facilitate purchases by Israelis which, if registered, would disclose the identity of both parties to transaction.

The Jordanian Government has passed a law which outlaws, on pain of death the sale of land to Jews. Israeli purchases, particularly by the Jewish Agency holding company Himmuta, are regarded as secret because of the political sensitivity of the issue.

CSO: 4400/124

ISRAEL

PAPER ALLEGES ISRAELI INTELLIGENCE ACTIVE IN EGYPT

PM091123 London AL-SHARQ AL-AWSAT in Arabic 2 Feb 82 p 1

[Report from Washington by 'Imad al-Din Adib: "Israeli Intelligence Penetrated Important Government Departments During al-Sadat Reign"]

[Text] It was confirmed here yesterday that during the al-Sadat regime Israeli agents were recruited and planted in important official departments in Egypt. Sources in Washington have revealed to AL-SHARQ AL-AWSAT that after the late Egyptian president's visit to occupied Jerusalem there was a major Israeli penetration of Egyptian decision-making centers as well as information, economic and financial centers in Egypt.

The sources emphasized that the Israelis had the following three major objectives:

1. To ensure a permanent and continuous flow of information without relying on official channels of "friendly" embassies.

The sources said that the Israeli enemy did not like to depend on the information received from the U.S. intelligence man in the U.S. Embassy in Cairo in accordance with the cooperation agreement between Mossad (Israeli intelligence) and the American intelligence agency.

2. To ensure the presence of Israeli agents in Egyptian decision-making centers in case the al-Sadat regime fell, and also to have an "Israeli lobby in Egypt."

3. To try to link some sensitive economic and information centers in Egypt to Israeli interests. In this respect the source spoke of individual financial violations that were alarming, to say the least.

The sources emphasized that the way for all this was paved during President al-Sadat's visit to Jerusalem in November 1977 and that a prominent Egyptian personality occupying a senior economic and financial position was the "central lead" or the liaison man between the Israelis and the Egyptian businessmen who cooperated with Israel.

The sources pointed out that the only sectors which Israel found it difficult to infiltrate were the armed forces and the public. They added that Israeli television spent 200 hours taking pictures of Egyptian streets, villages, development projects, anti-illiteracy centers, food projects, night clubs and sports centers frequented

by the Egyptian rich and elite class. Mossad rearranged and renewed all its files containing information about leading Egyptian journalists, writers, opposition members, Muslim and Christian religious leaders, university professors, economists and investors from November 1977 until the president's death.

Some sources say that Israel wanted Husni Mubarak removed from the post of vice president. It tried to accomplish this in two ways:

1. An Egyptian capitalist close to President al-Sadat tried to convince the president that his vice president Mubarak was becoming more and more dangerously influential as a result of the responsibility he was assuming in the president's court, the cabinet, the ruling party and the armed forces and in armament and security affairs. This capitalist tried to alarm President al-Sadat by telling him that "Mubarak was trying to have his own clique to counter the president's."

The sources confirmed that an important member of President al-Sadat's family, who had connections with Israeli economic concerns, was also antagonistic toward Husni Mubarak.

2. There was coordination with Israeli journalist Anan Safadi, who works for the JERUSALEM POST and is known for his close connections with the Israeli Mossad. In January 1981 he wrote a series of articles in the paper warning al-Sadat against Husni Mubarak.

AL-SHARQ AL-AWSAT managed to obtain this information after following up a report published by the WASHINGTON POST about Israel's infiltration of the shah's regime in Iran and trying to find out whether such Israeli activities covered the Arab states or not.

CSO: 4004/246

ISRAEL

ISRAELI COMMENTATOR SEES DEATH OF CAMP DAVID

TA051503 Tel Aviv DAVAR in Hebrew 5 Feb 82 pp 13, 20

[Commentary by Yosef Pri'el from the United States: "Three Nails in the Camp David Coffin"]

[Excerpts] After a lull of several weeks, the Middle East issue returned this week and was laid on the tables of the heads of the U.S. Administration. But this time, in contrast to the past, it seems that the direction of the activity no longer leaves any room for doubt: Last week will be recorded as the main and decisive one in the process of the death of the Camp David era. The United States put another three nails in the coffin of this process and at the end of the week it appeared that the main question still open was when would the process reach its end.

U.S. Secretary of State Alexander Haig, who, at the beginning of January, thought that within a short time he would be able to win the world's acclaim by achieving a rapid autonomy agreement, was forced at the end of last week to give up. Haig, tired and disappointed, admitted to the U.S. correspondents who had flown to the Middle East with him that his hope of achieving an autonomy agreement by 25 April was in vain. The gap in the sides' positions was too great and the pressure of time would not help to solve the problems. Haig formed the impression so his aides said, that in fact neither side was in a hurry to obtain an autonomy agreement. The view prevalent on the eve of his departure from the area, that both Israel and Egypt had an interest in rapid progress toward an agreement was disproved during his visits to Cairo and Jerusalem.

Weinberger went off to clarify in the Riyadh palaces what the Saudi Arabians want to receive in return for their return to the track. It is not hard to guess that the main recompense will be in the immediate sphere. Saudi Arabia wants to bring about the establishment of a Palestinian state, whatever happens. In its view the time has come for the United States to recognize this and support this move. If it does not and continues to consistently support Israel, it should know that it may expect, as a result of this, political, strategic and economic difficulties. On his visit to the Jordanian monarch's palace in Amman Weinberger will also find a frustrated pro-American king who is getting closer and closer to the Soviet Union with the aid of its new ally, Iraq, and who is getting involved in an adventure on the banks of the Euphrates, in the absence of a suitable solution to the disturbing Palestinian problem.

According to the scenarios, it now appears to be not inconceivable that the conclusions that the U.S. defense secretary will bring with him on his return to Washington will settle the next chapter, which may also be the last one, in the struggle for the life of the Camp David process. Weinberger, and apparently Haig, too, will come to one main conclusion in the wake of the developments that occurred this week in those three courts: The Reagan Administration's attempt to found its policy in the Middle East on an anti-Soviet strategic consensus in the area has gone bankrupt. At the same time that three of the main countries in that consensus—Egypt, Saudi Arabia and Jordan—are looking out of the corner of their eyes at the Soviet Union and even opening the gate to military cooperation with it, the United States must urgently find a new base for its Middle East policy, one that will strengthen its status in the area. The Palestinian base is the only one currently blinking on the horizon. This is the most important conclusion to be drawn from what occurred this week and it would be advisable for Jerusalem to begin to prepare itself for a turn in this emerging direction.

CSO: 4423/86

'HA'ARETZ' COMMENTS ON FRAYJ'S STATEMENTS

TA291548 Tel Aviv HA'ARETZ in Hebrew 29 Jan 82 p 14

[Commentary by Yehuda Litani: "Ilyas Frayj's Art of the Possible"]

[Text] "We are now faced with a threat, a physical threat. If Israel continues with its policy, establishing and fleshing out more settlements, the West Bank--which has so far been Arab--would become Jewish within 10 years. Then, the physical existence of the Arab inhabitants would be jeopardized," Bethlehem Mayor Ilyas Frayj told me when I interviewed him a few days ago. In his proposal, Frayj spoke about mutual recognition between the PLO and Israel, between the Arab countries and Israel. He spoke about his wish to initiate--together with ten prominent mayors in the territories--a call on the PLO to immediately enter negotiations with Israel. He spoke about the "hopelessness" of the current policy of the Arab countries and the PLO and he noted that the Palestinians in the territories do not have a "unified and practical policy" to counter Israel's actions in the territories. He criticized the Arab countries and the PLO for adopting a policy actually consisting of old and impractical slogans. He called on the Arab countries and the PLO to tread the path of peace rather than war lest the Arabs lose the territories in Israel, in which case they would be unable to do anything.

The man who shares Ilyas Frayj's view in the Gaza Strip, Gaza Mayor Rashad al-Shawwa--one of the strongest men in the Gaza Strip--also made some remarks at the beginning of this week which PLO supporters interpreted as sheer heresy: particularly his remark that "not all the Palestinians regard the PLO as their representative." Both men, Frayj and al-Shawwa, have meanwhile retracted most of their words--the mayor of Gaza made the first move and was subsequently followed by the mayor of Bethlehem--in light of overt threats from the PLO headquarters in Beirut that they would suffer the consequences for their words.

Frayj and al-Shawwa are not members of the national guidance committee, the supreme body of PLO supporters in the territories. To this day they are regarded as members of the Jordanian camp in the territories although they have also had close contacts with PLO officials in the last few years (or, to be more precise, with members of the Fatah organization, who are currently members of the joint PLO-Jordanian committee). The members of the national guidance committee, led by Nabulus Mayor Bassam al-Shak'ah and including a considerable number of leftists and communists, have for several years disapproved of the overindependence of Ilyas Frayj and Rashad al-Shawwa. Most of them are fond of the rejectionist organizations

within the PLO and would like to see all the West Bank leaders following in the footsteps of the national guidance committee.

As long as Frayj, al-Shawwa and others in the territories--who are not among Bassam al-Shak'ah's supporters--did not voice their opposition and their more moderate views in public they were not denounced publicly (although from time to time Frayj and al-Shawwa would express such views concealed within more general remarks). Now the reins have been unleashed: Bassam al-Shak'ah of Nabulus has sharply denounced Ilyas Frayj's remarks--which actually undermine the PLO's official ideology--and, at the same time, both mayors have been attacked on the radio, in the media of the various organizations forming the PLO and in the Syrian media.

When the head of the Hebron area village league, Mustafa Dudin, uttered words similar to those of Frayj about 2 months ago, they did not provoke the same reverberations among PLO officials as is the case now. This is because Dudin is regarded, both in the territories and in the Arab countries, as an Israeli creation, as a yes-man and open collaborator with the military government in the past and with the civilian administration in the present.

In contrast, Ilyas Frayj is a very popular leader in his area which includes the three towns of Bethlehem, Bayt Sahur and Bayt Njala. Before he was appointed mayor of Bethlehem, Frayj was also the head of the chamber of commerce. Although he maintains correct relations with the Israeli authorities, he is not seen as a collaborator of the type of Dudin because in his capacity as mayor and head of the chamber of commerce (he is the only man in the West Bank who holds both titles) Frayj must be in contact with the Israeli authorities regarding negligible technical matters as well as substantial issues (such as the request to rebuild the destroyed houses in Bayt Sahur and Bethlehem which he submitted to the head of the civilian administration, Menahem Milson, who subsequently approved it).

Rashad al-Shawwa is the strong man in Gaza, if not in the entire Gaza Strip. Just recently al-Shawwa made an astonishing move regarding the strike of the physicians, veterinarians and pharmacists in the Gaza Strip. Due to his determined stand in the face of the Israeli authorities, al-Shawwa succeeded in soothing tempers among the strikers and, at the same time, in considerably raising his prestige throughout the Gaza Strip.

The PLO in Beirut, Damascus and the territories has now launched an offensive against these two realistic men who are, at the same time, members (although in the periphery) of the nationalist camp in the territories. This is a second front opened by Bassam al-Shak'ah and his supporters in the territories since the first front--the problems erupting between PLO supporters and leftists and the "Muslim Brotherhood" at the al-Najah University in Nabulus--still remains unresolved. To this very day the university remains closed (although it may reopen in the next few days). During several stages of the struggle, the heads of the pro-Jordanian establishment in Nabulus--the most prominent of whom were the chairman of the board of trustees Hikmat al-Masri (formerly the mayor of Nabulus)--placed themselves alongside the "Muslim Brotherhood." Opposite the al-Masri family, who hold huge economic interests in the West Bank and Transjordan, stood Bassam al-Shak'ah heading the PLO members and the leftists.

Last Monday, the pro-Jordanian paper AL-QUDS, published in the territories, carried an article by industrialist and engineer 'Uthman Halaq, a resident of East Jerusalem, in which he sharply criticized the happenings in the territories. Halaq writes: We quarrel among ourselves as if there was no Israeli occupation here and as if the Israelis were not establishing settlements at an accelerated pace. We dream that occupation will disappear, that the conqueror's tanks will retreat, that we will establish a Palestinian state and that everything will be served to us on a silver platter, without any effort on our part. We have become a destructive rather than a constructive people, Halaq continues. Each time a new sprout blossoms in our midst we rush to uproot and destroy it. We build academic institutions to rear our future leaders, and what is happening there? The various factions fight one another and after each row every party announces its victory. This is what happened at the al-Najah University. Everybody won there: The board of trustees, the teachers, the "Muslim Brotherhood" and the leftists. Everybody won but, alas, the only outcome of the struggle is that the university has been shut down.

Halaq continues: This is how we live, we cry over absent national unity. However, how does one go about creating national unity when each party wants to rule over everybody else? While the occupying force (Israel) draws plans and makes the settlements blossom, we indulge in slogans and adopt unrealistic positions that prevent us from standing up to the occupation. These slogans and positions prevent us from forcing the occupation to go back on its positions and accept ours. Indeed, we have taken pains to classify and accuse people: Begin is an imperialist and Begin is a reactionary, this is something and that is the other. However, principles have changed and criteria are different and confused; each one of us slaps his head with his own hand as if he were living the day of the resurrection of the dead. Other than that, everything is fine--Halaq concludes.

There is a great deal of similarity between the reactions of Frayj and al-Shawwa and Halaq's article. They seek to arouse public opinion in the territories and perhaps also among Palestinian weakness and its tendency toward outdated slogans. They are suggesting that their brethren sober up and reconsider their words: first of all, recognize Israel as a living fact and start contacts before it is too late, before permanent Israeli facts are entrenched in the territories. However, the quick denials and claims of "inaccuracies" in the publication of their remarks in the media prove that the rigid and hawkish faction of the PLO has emerged as the winner of this round as well.

It seems that the awakening in the territories--the remarks of Frayj and al-Shawwa, 'Uthman Halaq's article and the courageous remarks in a similar vein made to new editors by the journalist from Ramallah, Raymonda al-Tawil, which were published this week--are somehow connected to the statement PLO official 'Islam al-Sartawi made in Paris this week in an article in LE MONDE. However, while al-Sartawi declared that following instructions by PLO leaders--notwithstanding his remarks criticizing the PLO's policy--he would no longer meet Israelis, Frayj's statements contained a new element that has not been heard in many years coming from a leader of his stature in the territories: namely, recognition of Israel, a call for negotiations between the PLO and Israel, a call for letting go of the old slogans and the current policy of the Arab countries, which he termed "hopeless policy."

In the wake of the explicit threats of the PLO, Frayj realized that his life was in danger and, therefore, he issued a special announcement in which he retracted most of his previous statements. Nevertheless, Frayj took a big step forward and a particularly courageous one in the face of the yes-man attitude of most leaders in the territories, including quite a few who share his views. In an interview I conducted with him last week, Ilyas Frayj told me, among other things: I am a practical person, I do not believe in symbols and slogans. I believe that politics is the art of the possible." The art of the possible now compels Ilyas Frayj to retract most of his courageous words.

CSO: 4423/86

ISRAEL

'MA'ARIV' ON CHANCES FOR UPGRADED AFRICA TIES

TA051256 Tel Aviv MA'ARIV in Hebrew 5 Feb 82 pp 1, 2

[Report from Abidjan by Tamar Golan]

[Text] "The Ivory Coast regards the Camp David accords as an important step toward making peace in the Middle East, and hopes the process will continue unimpeded," a senior political source in Abidjan told this reporter. At the same time, the spokesman was not prepared to make a commitment regarding a change in the level of relations between Israel and the Ivory Coast in view of the peace agreement, not even after the completion of the withdrawal from the Sinai in April.

Answering a question on whether the Ivory Coast was party to the initiative proffered by some African countries to resume ties with Israel--an initiative the president of Zaire had mentioned--the spokesman said he did not know anything about any official approach to participate in such collective initiative.

Ivory Coast Foreign Minister Simeon Ake visited Kinshasa, the capital of Zaire, a few days after Mobutu had declared he was ready to resume ties with Israel. It is being said in Abidjan that the subject of relations with Israel was not at all broached during that visit. The talks reportedly revolved around the two countries' bilateral relations.

The foreign minister of Gabon met for a private lunch 2 weeks ago with the president of the Ivory Coast, Felix Houphouet-Boigny. However, on that occasion, too, reliable sources reported, the resumption of ties with Israel were not the focal point. It looks as though President Houphouet-Boigny is not sure his counterpart, President Mobutu, would be able to carry out his plan of organizing a joint operation by a group of moderate states. He fears that if Arab pressure should be applied to the president of Zaire, he would go back on his intention. That is why the Ivory Coast is maintaining a position of wait-and-see, while at the same time regarding favorably any initiative to normalize relations with Israel.

The authorized evaluation here is that if indeed such a group of countries forms, the Ivory Coast would likely join it later.

The Ivory Coast's reservations stems from information obtained in Abidjan concerning the interest jointly demonstrated by Mobutu and Houphouet-Boigny in having military cooperation with Israel. The fact that it was Defense Minister Ari'el Sharon rather

than Foreign Minister Yitzhaq Shamir who had toured Africa is construed here as further proof of the intentions of the presidents of Zaire and Gabon.

The president of the Ivory Coast does not want to tie the normalization with Israel to military issues and has not requested any such aid from Jerusalem.

On the other hand, the Government of the Ivory Coast has allowed a representative of the Karmel Institute of Mashav [Hamahlaqa Leshituf Beynle'umi, or Department for International Cooperation] and the Afro-Asian Institute to visit the country.

Yvette Sa'adon of the Haifa Mashav Institute told MA'ARIV: "We were welcomed here in an outstanding fashion. The local Social Welfare Ministry organized for us an extended series of large meetings in which various aspects of the cooperation between the equivalent institutes in Israel and the Ivory Coast were discussed."

She and a representative of the Afro-Asian Institute, Mikha'el (Goldway), are currently on a tour of Africa to interview candidates for courses in Israel and also to visit graduates of earlier classes. After touring the Ivory Coast, they will also visit Togo, Gabon and Zaire. The two latter countries have made exceptions to ease the procedures of issuing entry permits to them as part of the "thaw" in relations with Israel.

The two Israeli visitors told MA'ARIV that at least in terms of professional aspect, they can detect with their local interlocutors readiness to extend the cooperation. However, it seems that on the diplomatic-political level in the Ivory Coast there still is no readiness to advance beyond the current state of affairs, where regular activity--given a low profile projection--is being maintained.

The Jews active in the Ivory Coast have organized into a 250-member congregation at the initiative of the Israelis residing there and with the encouragement of the representative, Yitzhaq Avidan.

CSO: 4423/86

PERES INTERVIEWED ON CURRENT ISSUES

TA032105 Jerusalem Domestic Television Service in Hebrew 1935 GMT 3 Feb 82

[Interview with Labor Party Chairman MK Shim'on Peres by political correspondent Elimelekh Ram, party affairs correspondent Nisim Mish'al and program moderator Ya'aqov Ahime'ir on the weekly Moqed program; in the television studio--live]

[Text] [Question] Mr Peres, perhaps we should begin with the current political-security subject; in view of the penetration of the three terrorists into our area from Jordan. What, in your opinion, should Israel's defense policy be now?

[Answer] We are no novices in this. Penetrations have occurred in the past; this is nothing new. In my opinion the defense policy--in a general formulation I will mention which, naturally, can be broken down into further details--is that a policy should be conducted which will on the one hand prevent penetrations and on the other hand will avoid war. I think these are the two true interests. We are not interested in expanding these penetrations so that they assume the dimensions of war. At the same time, on security matters, defense policy involving perhaps more action than talk, should be adopted.

[Question] Mr Peres, to be specific: Defense Minister Ari'el Sharon today made statements meaning, in effect, that any terrorist activity--whether on Israeli soil or outside it--constitutes a violation of the cease-fire. Would you second this view, too?

[Answer] I am not so sure, because a violation of the armistice agreements, or the cease-fire agreements in this specific case, are not so detailed. Philip Habib actually delivered messages from one country to the other, and the fact remains that sometimes people talk more than act. After all, even the Government of Israel, which at first came out with slightly far-reaching declarations...

[Question, interrupting] What do you mean by at first?

[Answer] Before the cease-fire...

[Question, interrupting] In other words, before Philip Habib came here?

[Answer] Yes. Ultimately it accepted the cease-fire. I believe that both this cabinet, or any other government, should not be interested in marching toward war, but at the same time action should be taken against the terrorists without violating the cease-fire.

[Question] You are calling for restraint--so far as I could gather from your remarks--in the cabinet's policy regarding the northern border. The question is this: from a report broadcast this evening on the Mabat television newsreel, it transpires that the terrorists are in the midst of a process of gaining strength and establishing a regular army. Should Israel, for example reconcile itself with this process?

[Answer] Is this anything new? Have we not known all along that they are gaining strength all the time? When we signed the cease-fire, did we not know this?

[Question] But is this reason enough to accept this today?

[Answer] I am not saying this, but I do not think that each time they receive cannons and tanks we should go out to war. One should decide, if one goes out to war, what the objectives of the war are and what the price of war is, or else a more balanced policy should be implemented.

[Question] Mr Peres, let us perhaps be more precise. When we accepted the cease-fire, the terrorists were in effect an irregular army [tzava lo sadir]. Reports we have recently obtained and the report broadcast on Mabat, as well as intelligence information, all indicate that they are gaining strength and are in effect assuming the form of a regular army. Can we accept this?

[Answer] I do not think this is an unexpected process. I believe both the prime minister and the defense minister as well as the Knesset defense and foreign affairs committee, in its deliberations, all took this process into account and still signed the cease-fire. Naturally, a regular army both raises a problem and also constitutes a difficulty for the terrorists themselves. One cannot simultaneously be both a regular army and a guerrilla army. You may have greater power, but you are more of a target. In other words, everything has its price and its advantage.

[Question] But now that this has happened, and we have witnessed the phenomenon whereby the terrorist organizations are turning into a regular army, what should Israel do? What would you recommend that we do?

[Answer] One does not launch a war when someone builds up an army, but when someone has made use of the army or is threatening using it--unless it decides that the establishment of an army is cause enough to launch a war.

[Question] Mr Peres, I would like to try and pinpoint our questions on this issue even further: the security circumstances are everchanging. As a senior figure in the Knesset defense and foreign affairs committee, and as the chairman of the Labor Party, when would you, even to yourself, recommend an Israeli retaliatory operation? And one second question, if I may: As a public figure, on this issue of a retaliatory operation, would you take into account the opinions of people living in the north and advocating restraint?

[Answer] First of all, I would like to tell you that I cannot recall a period where we talked so profusely about this subject. Let us say that there are people who believe more should be done; why dwell on this? Believe me, I could not understand the reason for the news conference, held at night, after the terrorists were captured. What was the purpose of that news conference.

[Question] What was it about it that you did not comprehend?

[Answer] Why such an urgent press conference was called; why it was so dramatically described--what for? After all, in regard to defense matters, we are not dealing exclusively with communication. I did not understand the lack of proportion in publicizing this issue.

I would not take into account the opinion of anyone. On security matters, a decision--based on what is good for the country and what is bad for it--is imperative. Security should not be subject to either the press or the public's opinion. Naturally, all the people should be harkened. There are a great many things on which our comrades in the north are right, such as the problem of shelters and the civil defense problem. They are the first who are hit by the shells; it is no children's game. But regarding a military operation, the consideration should be purely political, purely military and, if I may say so, we should somewhat decrease the volume and scope of talk on these subjects.

[Question] Allow me to get back to the news conference you have criticized, the one in which the chief of staff and the chief of the military intelligence participated: Substantively speaking, what criticism do you have against that appearance?

[Answer] After the news conference, the impression was created that the meeting was either intended to prepare for something or to prevent something. In other words, it was not a regular news conference, and I did not understand why all this was necessary.

[Question] Let us, perhaps, move on to another subject, which is the autonomy issue. Two weeks ago, here on the Moqed program, MK Rabin said that if Egypt prevents the attainment of an agreement by April, Israel would be well advised to entertain second thoughts on the peace process. What do you think?

[Answer] My opinion is that thought should always be exercised, not only...

[Question, interrupting] But I am talking about second thoughts, and this has an implication?

[Answer] Let me say, we are faced with two options, in my opinion, no more. They can be called by name, there is no need to beat about the bush: the first, either to halt the withdrawal from the Sinai before April--this is one option; the other--to try to sign the autonomy agreement. It is one or the other. Each of these has a price, and the country should decide which course to take.

If you ask me, clearly the option of signing an autonomy agreement should be favored, because after April we will be more secluded, the Egyptians will not be any softer, the Americans will not be more satisfied and we may find ourselves facing the entire world with the Palestinian world taking the focus of attention.

On the other hand, if you are talking about halting the withdrawal from the Sinai, this has a distinct, explicit price. That is, of course, if the Egyptians do not violate the agreement. If you violate it unilaterally, you are left without the Sinai--or devoid of U.S. support, with all the attendant implications.

[Question] But I would say that at present there is really no doubt that an autonomy agreement will not be achieved before the pullback. What would you advise in this respect?

[Answer] To honor the agreement. As long as the Egyptians do not violate the agreement, you cannot violate it unilaterally without bearing the consequences of a unilateral violation.

[Question] What is your forecast for Israeli-Egyptian relations after the withdrawal, if no autonomy agreement is reached. Or, perhaps, let me put it more poignantly: What prospects do you foresee for the autonomy agreement, the second part of the Camp David accords?

[Answer] I think that after April it will be far more difficult to sign an autonomy agreement, perhaps impossible. The autonomy will then be described as something defunct and proposals on the Palestinian issue will be brought forward, and very heavy pressures will begin to be exerted on Israel.

[Question] Mr Peres, in view of the current declarations by senior Egyptian personalities, do you fear for the peace process after the withdrawal from the Sinai? In your opinion, is this process in danger?

[Answer] Less so for the peace process between us and Egypt, because I think the reasons that led al-Sadat to visit Jeruslaem did not die with him. They still exist. They are Egyptian reasons. However, what will make things much more difficult for Israel--and I have already said so--is that at the focus of the entire political activity will be the Palestinian issue, and Israel will be told: OK, so there is no autonomy, no agreement can be reached--or you cannot agree--and proposals in the style of Saudi Arabia, the PLO or Europe will be raised and we will find ourselves definitely in difficult straits.

The Egyptians, in my opinion, are not concealing this. There will be among them those who will pressure us to solve what is termed the Palestinian problem. I see many disadvantages in the autonomy, but it is only right that I should also mention the fact that it also entails some advantages: for example, the U.S. commitments with regard to Judaea and Samaria constitute, in my opinion, an advantage. In other words, that the IDF will remain in preordained areas for the duration of the autonomy and even after--this, also, I regard as an advantage. The removal of the Jerusalem issue from the context of the autonomy agreement is, to my mind, an advantage, even though the autonomy can lead to a Palestinian state. [sentence as heard]

But ultimately, I must say, what will come instead of the autonomy--not what we want it to be--will be more difficult to accept will be worse and will further isolate Israel.

[Question] You mentioned Jeruslaem, Mr Peres, and MK Rabin suggested something considered moderate: To grant the inhabitants of East Jerusalem the right to vote for the autonomy council, for the administrative council. What do you think about such a proposal?

[Answer] First of all, allow me to correct you. Yitzhag said--and I heard him, and we conducted a conversation on this at the Alignment's political council--that if the Jerusalem issue remains the last subject on the road to signing the autonomy agreement, then he would recommend granting the inhabitants of East Jerusalem the right to vote. I differ with him and this is certainly possible between us. I am a bit concerned lest granting the inhabitants of East Jerusalem the right to vote might create a link between the autonomy and Jerusalem. Nor am I convinced that this is the subject that will constitute an obstacle to signing the agreement, because we have seen that in the Camp David accords, even though al-Sadat and the Egyptians pressured, Jerusalem was ultimately excluded from the agreement itself. I think this time, too, there are good chances for this.

[Question] Perhaps we should now go on to Labor Party issue.

[Answer] It has been a long time since you discussed this.

[Question] At the latest bureau meeting, 'Amos Hadar said--and I quote, and I hope the quote is accurate: The way we seem to be and our image in the public's eyes is that no doubt we must sit in the opposition for 700 years. Is this really the Labor Party's predicament?

[Answer] I do not think so. I even think that if 'Amos had a little more time and was not caught in the heart of the argument, he...

[Question, interrupting] Then he would have spoken of only 300 years, maybe?

[Answer] Let us say 300 years, at any rate he would have phrased himself differently. The Labor Party is a truly democratic party, not only a socialist and Zionist movement. Ever since it was first established, it has gone through stormy arguments and, in my opinion, all of them strengthened it, not weakened it. I am not perturbed by this.

[Question] Mr Peres, at the same bureau meeting you said--as you normally maintain--that the Labor Party's ability to constantly deal solely with itself exceeds all bounds--and I quote from that same meeting, from your own words. Is this why the party is not a fighting opposition, as its critics argue?

[Answer] First of all, I do not think the party should conduct itself in accordance with what its critics claim. If you ask me--and thank goodness I have been in the opposition for 5 years now--about the opposition's real role, I will say there is no difference between an opposition and the cabinet. Its primary role is to wake up in the morning and ask itself what is good and what is bad for Israel. Opposition alone is no goal, the image of the opposition is no objective, the criticism does not count. What counts is really what is good for Israel. This is what we are here for. Believe me, I was never more certain of the justness of our ideological and political path as I am today. Both with respect to where the Likud policy is leading--and I think it is leading to a binational country and is putting the entire Zionist dream in jeopardy--and also in the economic sphere and our direction there, even though the past year was relatively easy and also in the democratic sense--I am certain of the righteousness of our path, which should be followed by action accordingly. The Knesset is no theater performance, we are no actors and should not playact.

[Question] Yes, but the impression is that on the central, significant issues the voice of the Labor Party cannot be heard and it is busy with itself to an excessive extent--and I am again quoting you. Do you not sense this?

[Answer] Certainly, I do, and I keep telling my colleagues: Dear colleagues, the true problem that should interest the public--and which I believe also interests the public--is what our positions on the issue at hand are. It is not that one group should organize itself one morning and another form a separate body in the afternoon and the discussion will be over what was discussed in this or that circle. This is not the issue. The issue is the path, the future and the fundamental matters of the State of Israel.

[Question] But this is actually what is happening. Circles do form, and come out with declarations--whether with the approval of the bureau and the party institutions or without them?

[Answer] This has always been the case, and I think...

[Question, interrupting] Always?

[Answer] Always. If you permit me to answer you in earnest, I will: The problem the Labor Party is facing--as I am facing myself--is rather pointed and interesting, and a decision should be made on it. We can split up into three or four parties as we were in the past, in which case each party is more consistent, more compact, with less circles and factions in it; or have the workers' movement united at the cost of unity--and unity, too, has a price.

In the past, if you look at the history of Israel as a state, there were Mapam, Ahdut Ha'avoda, Rafi, Mapai; and then each party actually looked a bit more closely-knit, somewhat more well-shaped and even more united. In my opinion, the unity of the labor movement, as well as the desire to strive toward a bi- or tripartisan regime in Israel, and the absence of splinters in it are such worthy objectives that the price for it is right.

[Question] Mr Peres: As chairman of the opposition party, as the leader of our parliamentary opposition, when you consider the option you have before you--the unity of the workers' party, as you put it just now, versus the return to power--which would you choose?

[Answer] I believe unity will bring us back to power but I believe unity alone is not enough. We have a common denominator--which is our basis--both on social matters and on political issues, in spite of all the dissension. Today there is a Knesset in which the two main parties--the Likud and the Alignment, each have 48 seats. Even in this very Knesset changes may occur. All these stories alleging that the Likud won are a bit divorced from reality. Today the Alignment represents the largest number of voters in Israel: 730,000.

[Question] But, Mr Peres, do you not believe that this unity seems artificial to the onlooker, to the average citizen, when the Alignment votes on various issues in such differing ways and when in the Alignment faction--or in the Labor Party in general--there are polar views to one extreme or the other. This is why I repeat

the question: What choice do you have, and which would you opt for: the return to power or unity, which might appear to be artificial?

[Answer] And does the government appear so united and aligned with a deputy minister going to the United States to express objection to the [Sinai] evacuation?

[Question, interrupting] Mr Peres, I am getting back to the body which you are the head of?

[Answer] Fine, and I say that every large party, even when it is in power and should be more disciplined and better controlled--look at how one minister talks about the other. [Sentence as heard]. What words, what terms are applied! There is nothing of this kind with us.

Now I really want to reply to the ideological aspect as well. Is there a common denominator for the Alignment [components] or not? In my opinion, it certainly exists, both on the political issue--and let me begin there, because this is perhaps the most complicated. I do not know even one single hawk in the Labor Party--and certainly not on Mapam--who is not prepared for a territorial compromise. You mentioned 'Amos Hadar--well, that includes 'Amos Hadar as well. To put it differently, between concession of part of the territory and the prevention of turning Israel into a binational country, the choice the entire Alignment would make is to pay with a little territory and maintain Israel's Jewish, Zionist and democratic nature.

On the social sphere, definitely: We regard the Likud as a body that is cultivating an egotistic society in the country, one which deals to a lesser and lesser degree with social matters--education and social welfare--and deals less and less--this has implications for the future--with the productive branches. There are 150 Moshavim that are on the verge of disbandment. When did such a thing ever happen before? When was there Zionism without farming? Or Zionist without immigration? Zionism without productivity? When did this ever happen?

Unfortunately, marginal issues are being discussed. I think what has been happening to all of us--and I believe on television, too--is that we are constantly concentrating on the fringes. Let us really discuss the main issues and find out whether there is or there is not a Likud way and an Alignment way.

[Question] Mr Peres, let us get back to what you said on holding early elections. In a public interview in Beersheba--and I am quoting you--you said you are not interested in advancing the elections before the withdrawal from the Sinai is completed. Why? Are you afraid of the results of the elections or of having early elections?

[Answer] No. I fear chaos in the country. We undertook to evacuate the Sinai by the end of April--by the 26th of April. Imagine that we decided to hold elections today, what will occur in the country. Chaos. This is what worries me.

[Question] Should not the outgoing government be one whose commitments are binding on the State of Israel and one that carries out the withdrawal despite imminent elections?

[Answer] That is true, even though there is no formal transition government. However, even today discipline in the cabinet is nothing to write home about.

[Question] So you are concerned about the cabinet?

[Answer] My concern is the state, not the cabinet. I am apprehensive about the face, the content and the conduct of the State of Israel. I admit that the matter of the evacuation of the Sinai is extremely complex and should be handled with responsibility and all the responsible forces should be recruited for it--whether they be inside the cabinet or outside it. Imagine if we entered into an election campaign now--and you had some glimpse of what it is like--and the prime minister in election campaigns comes back to life and begins to employ his high rhetoric and on the one hand you have Gush Emunim and on the other side you have the movement to stop the Sinai withdrawal. What will the election campaign be like?

[Question] But are elections a chaotic affair, the way you portray them?

[Answer] No. Elections are not a chaotic act, but elections and an act of withdrawal--unprecedented in Israel, where settlements are being evacuated--combined might create chaos.

[Question] Mr Peres, there is something strange here. You said you objected to holding early elections and are still against holding them before the completion of the Sinai pullback, but at the same time the Alignment has submitted a motion of nonconfidence in the cabinet. Was this unplanned? Was it contrary to your opinion? And supposing the cabinet had fallen and new elections had been held, what then?

[Answer] Let us draw a distinction. No. If the cabinet falls, in my opinion, we have all the chance of setting up an alternative cabinet. I distinguish between the two. First of all, the phrase "To cause the cabinet to fall" is unacceptable to me. What kind of fall is there? They are 48, let them be replaced by 48. What is the fall? It is a change of governments in a Knesset in which there is an equal, or nearly equal, balance of power.

[Question] Do you believe this to be a realistic possibility?

[Answer] A possibility--yes; a certainty--no. I am not ruling this out. Look, the way the Knesset is composed at present is that there are 96 Knesset members belonging to the two larger parties, and 24 Knesset members divided into six small parties. All of them have pangs of conscience, which finds expression in dissenting votes. This is not a simple matter. In this respect, in general, the Likud and Mr Begin really broke up many parties--I can say this either as praise or criticism--the democratic movement for change ceased to be, the liberals have been swallowed up and gobbled up unnoticed, the NRP lost one-half of its strength and has not regained it. This is not easy for these partners, because the NRP appears to have divided up with part of it eating the dairy dish and the other eating the meat dish: the national part voted at once for the Likud, and the religious part might vote for Agudat Yisra'el. In other words, all of us are faced with dilemmas here.

Politically speaking, you are talking about the Alignment, but is Agudat Yisra'el in one mind with Mr Begin? On social matters, do the NRP and Mr Begin walk hand in

hand? We really have here a partnership which has a self-neutralizing effect on the most serious subjects: Agudat Yisra'el abstained from voting on the Golan law, and Mr Hammer is fighting--when the need arises--on the education budget.

[Question] Mr Peres, have you been holding contacts with personalities or parties to probe the possibility of establishing an alternative government after April, for example?

[Answer] Everything depends on how the question is worded. What do you mean by contacts? If you mean when I talk with colleagues who are members of the coalition my answer is yes.

[Question] Are you looking around?

[Answer] Yes, just as all the Knesset members do.

[Question] And what do the chances look like to you?

[Answer] The answer I gave is: A chance--yes, certainty--no. I think there is a chance. No one in political life does favors for his fellows, but I feel that nearly all the partners in the Likud as well as members of the Likud itself have what is currently being called second thoughts.

[Question] You mean that there is a chance--in terms of what you have just said, and I am trying to sum it up--that after April you will set up a cabinet headed by yourself?

[Answer] I see the possibility that in the course of 1982 there can be changes of government in Israel. But I have no certainty.

[Question] Do you have a scenario as to how this may take shape?

[Answer] No, I have none, but I have figures to cite. After all, one must bear in mind that at present the Knesset comprises 61 in the majority and 59 in opposition. When there is a majority of one, it is not one who is the majority, but each one of those 61 can determine whether that side is a majority or a minority. From all I know, there is a great deal of dissatisfaction with and even objection to the cabinet's policy. We have been hearing this in public, and there is no need for secret contacts on this. There is a feeling that after April Mr Begin's cabinet will in effect be left without a political plan and that the golden year of Mr Aridor will have ended and the meager year begun.

[Question] I have noticed, Mr Peres, that you have refrained from criticizing the parties comprising the coalition, only Mr Begin or Mr Aridor, and earlier you mentioned Minister Hammer but did not criticize him. Is this part of the test of the grounds toward forming a possible coalition?

[Answer] No. There is the moon and there are the stars, or the sun and the stars. The main body in the coalition is the Likud. That is why I primarily criticize the Likud; it is the determining factor. Recently, and I am not saying this only as criticism, the policy is being determined to a growing extent by one single man.

[Question] How do you account for the fact, and this may depend on the Israeli domestic policy, that you and Mr Begin are actually fighting over the same forces? You are not trying to attract...

[Answer, interrupting] What choice do we have? This is how the Knesset is composed. Let me tell you: To answer somewhat more seriously, our problem after the last election was not the results of the election but the composition of the coalition. Mapai has traditionally gone along with the religious colleagues and the liberals--part of the time. [Sentence as heard] In 1965 we lost the liberals, and in 1977--the NRP. Given the Israeli election system, there is hardly a chance that one party should win a majority, this means that you must obtain a coalition.

[Question] But what I have failed to understand, Mr Peres, is how you will really compose your government? Who will be your partners in the next coalition? You have been holding contacts. What we did not understand, and this is something that was asked here but was not answered, is who will go along with the Alignment and leave the incumbent coalition?

[Answer] I will not tell or risk prophecies. I am not ruling anyone out, and I cannot force anyone. Talks are being held with everyone, and when the time comes we will know who follows. At this stage, I cannot tell you.

[Question] Mr Peres, from the ideological point of view, could the Labor Party give Agudat Yisra'el what Mr Begin is giving it?

[Answer] From an ideological point of view, no. But the Labor Party must also decide. Does it or does it not form a government?

[Question] With whom? Under any condition? On what basic lines, if I may ask?

[Answer] I will tell you exactly. There are today three religious parties: Agudat Yisra'el, the NRP, and Tami also, is actually a religious party, with an ethnic basis--that is to say, the Tami members, except for Aharon Uzan, were in fact NRP members, a part of the NRP. There is no possibility, in my assessment, to create a coalition without one, two or all those three partners. There are natural differences of opinion between us and them on religious issues, even though the Labor Party is not a religious party, and certainly not anti-religious. And many of the things now existing in the country had been introduced by the late David Ben-Gurion and by the Labor Party, such as dietary laws, the exemption from military service of Yeshiva students, kosher meals in the army, religious state schools. We do not want to impose antireligious education or such things. That is to say, even though this is not the opinion of all our members, we have reached an arrangement with the religious members such as they are in our ranks.

Now, if you desire a coalition, you have to understand that this is also a coalition of requirements, not only of partners. How did actually Ben-Gurion direct the country? Only by priorities. He used to say: Today, the first priority is the Biltmore plan. All the other issues are put aside. Today the second issue is compulsory state education, and I am making a coalition around state education. If we want everybody to adopt our views on all the subjects, we shall never be able to

create a coalition. We must decide what the central issues are today. If it is immigration, be it immigration; a continuation of the peace process, then the peace process it will be; the establishing of new industries. If we succeed in the central issue, which are vital to the country, in my opinion, if we manage to set up a coalition around them, we shall set it up.

[Question] Mr Peres, our time is almost over. Would it be correct to sum up your statements as follows: Your message is that in 1982 we are likely to see or can see in Israel a government headed by you?

[Answer] I would put it this way: In my view, in 1982 Israel will have to adopt crucial decisions in the political and economic spheres. I believe that the necessity to adopt these decisions can--again, I cannot be certain, I am not prophesying--can bring about a change of government, because I think the Likud government is at the end of its road: It has no plans for the future. I am convinced that we have the necessary plans, and the chance to concentrate a coalition around these plans, with the correct political and social priorities.

[Ahime'ir] Knesset member Peres, I thank you for coming to the Moqed studio. I also than my colleagues, Elimelekh Ram and Nisim Mish'al.

CSO: 4423/86

MAJOR GENERAL BARAK TO GO TO PLANNING SECTION

Tel Aviv YEDI'OT AHARONOT in Hebrew 23 Dec 81 p 7

[Article by Eitan Haber, Military Correspondent: "The Youngest General in the IDF, a Crowned Prodigy with Four Commendations"]

[Text] At the end of this month, the chief of the planning section of the General Staff, General Natan Sharoni, is leaving his position and his IDF service, this due to his poor relationship with the minister of defense, Ari'el Sharon. In reality, Sharoni terminated his job when Sharon entered the Ministry of Defense.

Sharoni's position will go to Brigadier General Ehud Barak (Brugh), who will be raised to the rank of General.

Ehud Barak is one of the distinguished young senior officers in the IDF. Barak, born in Mishmar Hasharon, is 39 years old and joined the IDF in 1959. After a short stint of 2 or 3 months in the armored corps, he transferred to one of the IDF's select units where he remained for most of his army duty. He advanced in this unit along the entire ladder of ranks, from private to division commander.

During his service he completed his studies in mathematics and physics at the Hebrew University of Jerusalem. In 1973 he went to Stanford University in California and studied systems analysis in the areas of economics and engineering.

When the October War broke out, he was rushed back to Israel where he gathered 15 tank crews, mainly among those returning from abroad, and established an impromptu detachment which then fought in the war. Among other things, this detachment extricated paratroopers from bloody battles in the Sinai and helped surround the city of Suez.

In the armored corps Ehud Barak fulfilled every function from company commander, regiment commander, unit commander and reserve group commander to regular army commander. He also served in the operations section of the General Staff. At the end of this month he will move from his command over a regular army unit to his new position, having also found the time to complete his studies in California and receive his degree.

Ehud Barak's combat history is impressive. He has participated in the majority of special operations. For his combat activities he was awarded a special decoration and four commendations.

The new general will be the youngest in the General Staff today. He excels in combat expertise, intellect and his ability to express himself unusually well verbally and in writing.

Ehud Barak is married and the father of three daughters.

9811

CSO: 4423/80

LABOR PARTY APPOINTS COMMITTEE MEMBERS

TA050902 Jerusalem POST in English 5 Feb 82 p 2

[Report by Sarah Honig]

[Text] The Labor Party yesterday chose the members of six central party forums, all of whom were appointed by a small caucus comprising party chairman Shim'on Peres, former Prime Minister Yitzhaq Rabin and party secretary-general Hayim Bar-lev.

Rabin emerged without the chairmanship of a single committee, although it was known he had set his sights on chairing the party's political committee. The United Kibbutz Movement and Tel Aviv strongman Eli'ahu Speiser lobbied on his behalf, but Peres made it clear that he reserved the position for himself, and that under no circumstances would he consider yielding to his arch-rival.

Rabin's supporters did not press the issue. Rabin himself did not demand it in the caucus session, so that it would not appear that he was beholden to Peres for any position of influence.

Sources close to Rabin say that Peres' oft-sounded prediction that following the Sinai pullback, the Alignment would form a government without needing new elections stems from an effort to prevent any unrest in Labor. His logic, according to members of the Rabin camp, is that all shake-ups of the party's hierarchy must be avoided at this stage, since Labor's ascendancy to power is imminent.

The political committee which Peres will head is composed of 55 members. The largest committee is the economic one, with 121 members. Its chairman was not chosen yesterday since the position is still hotly contested by Labor's candidate for finance minister in the last elections, Tel Aviv University President Hayim Ben-shahar and Histadrut Secretary-General Yeroham Meshel, who is currently abroad.

Peres was also chosen to head the Alignment executive, as well as the party bureau secretariat. The legislation committee will be chaired by MK Ora Namir, and the settlement committee by Yisra'el Galili.

The appointments were approved last night by the party bureau, though there were complaints over lack of adequate representation by younger members, women and Arabs.

CSO: 4400/124

PROFILE OF ENERGY MINISTER BERMAN GIVEN

Tel Aviv HA'ARETZ in Hebrew 20 Dec 81 p 7

[Article by Dan Margolit: "Profile of an Anti-Extremist"]

[Text] The last Mohican of the Likud, the man who fought to save the superiority of man in the ruling party over the voting machine beast, is not just any Knesset member--he's a minister. Among Knesset members you won't find another man who dared to raise a hand against the annexation of the Golan. Even the token deserter, Dan Tichon, was brought back within the ranks, against his will, to fulfill his duty to the Knesset and to work like a well-greased and obedient cog toward the implementation of the law, according to Begin's wishes. Only the energy minister, Yitzhak Berman, asked with quiet politeness for the forgiveness of his colleagues and refused to participate in the vote. He did not flee, it was not a technical error, he didn't fall asleep or forget, as is often the claim in such cases. Candidly, but without the drama and uproar usually accompanying votes of this kind, he declared that the annexation was superfluous, annoying and provoking, and therefore not worthy of his vote. He did add that in his opinion "the sky would not fall" if annexation were passed.

Berman is not like his liberal colleagues. He cannot abide the unprincipled adherence of Simha Erlich and Moshe Nisim to any of Begin's whims. He is certainly far from Avraham Sharir, who at Knesset sessions heaps compliments on the prime minister to the point of disgusting even Herut ministers. On the other hand, he did not come out with a tough, penetrating prophecy of doom as far as the implications of annexation, as did the liberal minister, Yitzhak Modai, who later, despite his expressed horror, fell into line behind Begin.

The minister of energy is a different sort of man. It would be wrong to describe him as a revolutionary. Berman, 68 years old and Russian-born, spent his childhood in the Musrara section of Jerusalem. Later he joined Etzel, served in the British army and as a major in the IDF. Berman is a man of the establishment from the word go, legal counsel to financial firms, a public servant who makes his place in the Tel Aviv branch of the General Zionists. He thrives on order and meaningfulness and on the joys derived from a comfortable bourgeois existence. He never interrupts or bursts out in anger. Flag waving is not Berman's forte. Political mutiny is not his calling card.

It appears that he is even incapable of enjoying the flared nostrils and the glowing faces of politicians when their names appear in the headlines, their images on the television screen or their voices on the radio. Apparently, he doesn't know how to react in these situations. He therefore presents a danger to Begin's continued extremism and outbursts of temper. Berman is not a perpetual nuisance. He is not like Mordechai Tzipori who criticizes Ari'el Sharon's every move. He does not probe every decision made by Yitzhak Sharir. But when it comes down to central issues, Berman votes exactly according to his own understanding of the question, and he cannot be moved from his position, as he proved last week.

His approach is based on a liberal world view and total pragmatism. Both branches of the General Zionists experienced rises and declines over the years. Until the establishment of cooperation with Herut in 1965, the Liberals had an independent standing. But the establishment of Gahal made Herut hungry for votes, with the Liberals picking up slices of the pie. Their support dwindled to a fraction of what it had been.

In the book "The Powers That Be" columnist James Reston, during one of the bitter disputes in the history of THE NEW YORK TIMES, is said to have told the publisher, "I'm with the younger generation" thereby tilting the scales in his favor. Berman tries to use the same tactic. He's friendly toward the younger generation but explains to them clearly that "his generation, and perhaps the following, can enjoy the Herut's one-sided generosity. Young people will not be able to hold influential positions, but if they want to be elected, they must guarantee themselves public support."

Since he is not a revolutionary, he is not out to disband Gahal. But should that occur of its own volition, he would not wrap himself in sackcloth and mourn. It is conceivable that in an independent election their forces would be reduced, but according to his evaluation, they should have a real future. Israeli society, "for better or worse," is built to a certain extent on an imitation of American thought and lifestyle. This social structure affords an excellent opportunity for the success of a large, young liberal party. A party of this kind in 1981, he says, may, although not necessarily, prefer to establish a coalition with Herut, but not at any price. Usually, there is a natural tendency to be part of the government. If the party receives independent votes, it could negotiate compromises with Herut no less significant than those which Dash received in the past or those of Agudat Israel and the Mafdal today. This could only benefit the public.

Berman steers away from emotional outbursts. He strives for law and order. His pragmatism is two-sided. He's a dove, willing to relinquish the occupied territories, but as long as Israel governs them, she should have the right to punish stone throwers and law breakers.

In his eyes, however, this is not the main point. It is important to see Israel in perspective, in the area and in the world. Exactly 8 years ago, on 28 December 1973, he published in MA'ARIV a detailed analysis of the benefits inherent in a defense agreement with the United States. Berman wrote: "The Soviet threat of military intervention against Israel, which incites the Arabs to wage war and against which there are no secure borders, can only be eliminated by an Israeli-American agreement, one which would not reduce our sovereignty, just as the NATO agreement did not reduce the sovereignty of the individual participating nations." In 1981,

several of his statements--almost verbatim--were found at the core of the US-Israel accords. Berman sees in this understanding a bud to be nurtured and which needs room to grow. Meanwhile, it became clear that the annexation of the Golan was not compatible with this strategic goal.

Given such an approach, the energy minister--who saw progress even in article 7 of the Fahd plan--understood that he would not be elected to head his party. In any event, he said not long ago, leaders today are not "priests or prophets, they're managers" and he's not interested in that kind of leadership. He is comfortable in his strong corner of the Tel Aviv branch of the Liberals. This position allows him to struggle, at a medium level of intensity, for a liberal niche. Everyone knows that his existence creates a democratic alternative to any extremist rule, in any Israeli government.

9811

CSO: 4423/80

BRIEFS

INCREASED DRILLING BUDGET--The energy minister and the director-general of his ministry will meet the finance minister today to ask him to double this year's budget for oil and gas prospecting in Israel. As it stands now, \$35 million have been allocated for this. The Energy Ministry officials will suggest ways to raise the money that is still needed, for instance through foreign stock exchanges, but will ask Minister Aridor for guarantees should the money fall short. Among other things, they will detail plans to carry out some deep drillings that cannot be carried out under the current budgetary allotment. [Text] [TA070553 Jerusalem Domestic Service in Hebrew 0500 GMT 7 Feb 82]

NEW SETTLEMENTS IN JORDAN VALLEY--[Report by Yehuda Litani] A proposal to establish three new settlements in the northern Jordan Valley will be raised in the upcoming meeting of the joint government-Jewish Agency committee on settlement affairs scheduled to be held next week. According to settlement elements, these settlements will be established in a "loophole" in the continuity of [Jewish] settlement in the Jordan Valley, between the settlements of Ro'i and Mehola. The planned settlements are: ELisha' (temporary name: Ma'ale Melakhim), Mizpe Gil'ad (temporary name: Peles) and (Hasmadat) (temporary name: Yabboq). The nature of the settlements has not yet been determined. However, it is highly probable that they will be co-operative Moshavim. It has also been reported that the land slated for the new settlements has already been located. The arable land of the new settlements are located near the security fence, very close to the Jordan River. The establishment of a settlement called "Had-nes" on the Golan Heights by members of the Moshavim Haruvit, Diqla and Ne'ot Sinai which will be evacuated from the Rafah approaches will also be discussed at the meeting of the joint committee scheduled to be held next Sunday. "Had-nes" is scheduled to be established northeast of Lake Tiberias and it will make its living on tourism and industry. Had-nes is the acronym of Haruvit, Diqla and Ne'ot Sinai but it also appears in the works of Ze'ev Jabotinsky. [Text] [TA021258 Tel Aviv HA'ARETZ in Hebrew 2 Feb 82 p 10]

LIBYA, SYRIA NAVAL COOPERATION--Attempts at naval cooperation between Libya and Syria exist with the aim of coordinating for direct strikes at Israeli coasts. The possibility cannot be dismissed that the Libyans have, or will in the near future, make genuine attempts to give expression to this cooperation. This was reported in this week's edition of BAMAHANE by security sources in Israel. The sources said that with the reduction in size of the maritime arena after the return of the Sinai to Egypt, emphasis in Israel will be on what is happening in the Mediterranean.

Over the last few years there has been an unusual increase in naval strength in the Mediterranean, especially in Libya and Algeria. These countries, people in Israel say, definitely have a real possibility of trying to strike at Israel's coasts and, because of this, the security establishment regards them as direct confrontation countries. [Text] [TA031331 Tel Aviv HA'ARETZ in Hebrew 3 Feb 82 p 2]

LEVI ON SECURITY COMMITTEE--From an answer he gave to a question on our views conference program, it seems that Deputy Prime Minister David Levi will be a member of the ministerial committee for security affairs. Our political correspondent reports that Levi reached an agreement on this with the prime minister a few days ago. [Text] [TA031623 Jerusalem Domestic Service in Hebrew 1600 GMT 3 Feb 82]

END TO TERRORIST ACTIONS--Israeli analysts say the terrorist actions in Israel and abroad will gradually stop because the top ranks of the terrorists are not willing at present to commit acts of suicide and do not want to jeopardize their achievements. This is reported by the weekly BAMAHAANE. The analysts say that the terrorists, by their actions, are jeopardizing, both militarily and politically, all they have achieved--in their opinion--in Lebanon. In the special situation existing in the Middle East, the terrorists cannot hold two ends at once and they must either stop terrorist actions or stop maintaining a military force in Lebanon. It is believed that in the next few months the terrorists will be faced with a question of their existence and the terrorist heads are beginning, apparently, to understand this. People in Israel do not believe that the terrorist leaders, who now include middle-aged people in comfortable economic circumstances, will want to cut themselves off from their achievements in Lebanon and return to the woods. As a result of this it is predicted that terrorist actions in Israel and abroad will gradually cease and, instead, in the next few months a severe confrontation between the terrorists and the Muslims in Lebanon will develop. The confrontation will also cause internal wars among the terrorist organizations. The Israeli sources believe there are signs of this in Judea and Samaria. The extremists among the inhabitants are beginning to understand that they have reached the end of the road regarding terrorist actions. [Text] [TA031231 Tel Aviv 'AL HAMISHMAR in Hebrew 3 Feb 82 p 2]

LAVI ENGINE TO BE BUILT--Israel has decided to produce the Lavi aircraft in Israel. An agreement on this has been achieved between the defense and finance ministers. Details on the partnership with the U.S. companies that will participate in the aircraft's manufacture will be decided upon after negotiations with them. It has been decided that the Lavi engine will be built in cooperation with the Pratt and Whitney company at the Bet Shemesh engine plant. The Defense Ministry spokesman has stressed that the decision will not lead to an increase in the defense budget. [Text] [TA041043 Jerusalem Domestic Service in Hebrew 0800 GMT 4 Feb 82]

FRIDAY PRAYERS IN HEBRON CAVE--Settlers from Qiryat Arba' and Hebron have been praying for several weeks now without interference at the cave of the patriarchs on Friday mornings, following an arrangement reached with the military government. A number of incidents regarding these prayers occurred on the site some months ago, as the case used to be closed to Jewish worshippers on Fridays. After protests and several skirmishes by the settlers, they are now permitted to worship in the cave in the early morning (at about 0700). It was also reported from Hebron last night that the army continues to hold the "Bet Romano" building which, in recent years, served as the "Even Munkacz" school for girls. The settlers hope the building will soon be transferred to them. [Text] [TA050814 Tel Aviv DAVAR in Hebrew 5 Feb 82 p 1]

PURCHASE OF POISON GAS--A private Israeli company has purchased from the FRG a quantity of the most poisonous war gas called (theophosgene). This has been reported by sources from the West Berlin prosecutor general, which has submitted a charge sheet against the local factory (Firak), located in one of the town's industrial zones, which was engaged in the production of 1,600 kg of the dangerous material. (Theophosgene) is similar in its composition to gases used in World War I, nicknamed "yellow cross." One two-hundredth part of a milligram in 1 cubic meter of air is sufficient to cause fatal pollution. This has been reported in the German paper DIE WELT. Yesterday the W. Berlin police searched the offices and apartments of the factory owners, who are denying that they are continuing to produce the gas. The investigation into the affair has lasted for 2 years, but were kept secret until 1 February, when a Christian Democratic member of parliament, (Eckhard Varok) came out with a demand to the Berlin authorities to immediately dispose of 4,000 kg of basic chemical material for the production of the gas, which are still being kept in the (Firak) stores. The authorities decided that one cracked barrel alone would be catastrophic to the area around the plant. However, the company claims that it stopped producing the gas in mid-1979 when neighbors began to complain about pains, nausea and blighted fruit trees. [Text] [TA050825 Tel Aviv YEDI'OT AHARONOT in Hebrew 3 Feb 82 pp 1, 7]

GAS EXPLORATION--The gas production tests conducted in the Notera 3 gas well in the Hula Valley have been stopped after it was learned that there are no commercial quantities of gas in the deep strata. Drilling to a depth of nearly 2 km was conducted at that gas well. However, our correspondent Gadi Sukenik reports that that exploration work as well as the other two Notera explorations indicated that the top layers of the Hula basin contain commercial and possibly also large quantities of gas. The findings have been sent for tests in the United States and may also be sent to Japan. [Text] [TA080738 Jerusalem Domestic Service in Hebrew 0600 GMT 8 Feb 82]

CIVILIAN AID TO BETHLEHEM INDUSTRY--Bethlehem, 9 Feb--Next fiscal year, the civilian administration in Judaea and Samaria will help industrialists in the Bethlehem area to develop their industries by availing them with loans on easy terms. The industrialists complained to the head of the civilian administration, Prof Menahem Milson about the financial problems hampering the development of their industries and the expansion of product. It should be noted that a large part of the industrial products manufactured in the Bethlehem area are exported to Arab and other countries. [Text] [TA091251 Tel Aviv ITIM in Hebrew 1210 GMT 9 Feb 82]

NABULUS VILLAGE LEAGUE FAILURE--The authorities in Judaea and Samaria have recently been making attempts to form a village league in the Nabulus subdistrict, but so far without success. This is due to the pressure being exerted by PLO supporters in that region. This week, Israel succeeded in establishing a village league in Qalqilyah, which will deal with problems of electricity, water, development and agricultural marketing in the subdistrict. Such leagues are now operating also in the Hebron, Bethlehem, Ramallah and Janin subdistricts. PLO supporters fear that the leagues will serve as an infrastructure for the establishment of the autonomy regime. [Text] [TA091135 Jerusalem Domestic Service in Hebrew 1100 GMT 9 Feb 82]

END TO W. BANK SPECULATION SOUGHT--The Israel land administration has formulated several proposals to regulate the purchase of land in Judaea and Samaria. There have been reports of wild purchasing of land in the area. This has been learned by our correspondent, Ion Feder. The proposals recommend that land be purchased in accordance with settlement and security planning. The purchase will only be permitted to authorized agents without a criminal record. The Israel land administration will appoint officials to watch land sales in Judaea and Samaria and each sale will require approval before it is implemented. It is also proposed that a price board be established to prevent speculation. Our correspondent points out that the great demand by Jews for land in Judaea and Samaria has caused an appreciable price rise and several cases of fraud have also been reported. [Text] [TA04C743 Jerusalem Domestic Service in Hebrew 0500 GMT 4 Feb 82]

REQUEST FOR ARAB UNIVERSITY REJECTED--The Higher Education Council has turned down a request to approve the establishment of an Arab university in the Galilee. The approach on that matter came from the council for the advancement of Arab education that wanted to have in the new institute a natural sciences and humanities faculties, a social work school and a pre-academic preparatory classes. The Higher Education Council ruled that there is no need for an additional university but promised to reexamine soon everything that has to do with the Arab students' advance from the high schools to the universities, and this in view of the fact that it had heard a report that the difficulties in accepting them result from the gap between the demands of the universities and the level of the high schools in the Arab sectors. [Text] [TA051329 Jerusalem Domestic Service in Hebrew 1300 GMT 5 Feb 82]

NEW AREA VILLAGE LEAGUE--In the Qalqilyah subdistrict, a new area village league, the fifth in number, was established today. The head of the civilian administration in Judaea and Samaria, Menahem Milson, noted the awakening in the Arab villages and urged the villages to rally for the sake of progress, and promised assistance. Our correspondent, Arye Gus, says several participants at the ceremony issued calls for self-organization and in support of King Husayn. [Text] [TA081721 Jerusalem Domestic Service in Hebrew 1700 GMT 8 Feb 82]

UNEMPLOYMENT IN DEVELOPMENT TOWNS--Around one-third of the unemployed population in Israel are residents of 29 development towns, in which 12 percent of the total population of the country resides. According to data from the unemployment bureau, it was determined that the percentage of the unemployed in development towns is three times higher than that in the remaining towns in Israel. Last October 10,649 job seekers registered in development towns out of a total of 31,562 throughout the country--around one-third of all those seeking employment. The number of unemployed persons in development towns in October totalled 4,245 while in Israel as a whole there were 11,960 registered this month--around 35 percent of all the unemployed. The general manager of the employment bureau, Baruch Haklai, said that efforts are being made now to improve the employment situation in development towns and to direct new industry to these areas. He says that in the last few days they have received 80 requests for new workers in the metallurgy and textile industries in the towns of Yavne, Ofakim and Netivot. Haklai claims that due to the relatively small number of enterprises in development towns, the percentage of unemployed persons is higher than in the rest of Israel, where alternative employment is available to those who are laid off. [Text] [Tel Aviv YEDI'OT AHARONOT in Hebrew 10 Dec 81 p 19] 9811

IDF COMMAND CHANGES--Within the next few days, changes in the IDF's General Staff are expected. The Southern Regional Commander, Dan Shomron, is about to leave his position at the end of this month, and in his stead Brigadier General Haim Erez, from the armored corps, has been appointed and will rise to the rank of General. Another commander who will be leaving his post is the head of the planning session of the General Staff, Natan Sharoni, soon to be discharged from the IDF. [Text] [Tel Aviv YEDI'OT AHARONOT in Hebrew 17 Dec 81 p 8] 9811

EXPENDITURES FOR SUBSIDIES--At the beginning of December, 8 months after the start of the fiscal year, the subsidy item in the State budget reached the highest level ever, twice the amount allocated for subsidies in the original budget. In the budget approved by the Knesset for the current fiscal year, the treasury allocated 6 billion shekels for subsidizing basic goods and agricultural production. Due to Finance Minister Yoram 'Aridor's policy of stabilizing inflation, even freezing the prices of basic goods, subsidies rose on these items and far exceeded the original budget. After the subsidies on food products had been increased several times, the treasury asked yesterday for approval from the Knesset's finance committee for an 80 million shekel increase in subsidies for public transportation. After adding this increase, the budget for subsidies will amount to 12.5 billion shekels. It is already clear that this will not be sufficient to finance subsidies through the end of the budget year and if the prices of subsidized items are not raised drastically, the subsidy allowance may, by the end of the year, amount to three times the sum planned for at the beginning of the year. [Text] [Tel Aviv MA'ARIV in Hebrew 8 Dec 81 p 10] 9811

CSO: 4423/80

NATIONAL RALLY OF INDEPENDENTS ANALYZES 1982 BUDGET

Rabat ALMAGHRIB in French 31 Dec 81 pp 1-8

[Speech by Benmessaoud before Chamber of Deputies; date not given]

[Text] Mr President, Ministers, Representatives:

Expressing the nation's needs and aspirations, guaranteeing and establishing decent living conditions, instituting social justice throughout the country: These are the ambitions and wishes of the RNI [National Rally of Independents]. Their fulfillment is essential because they are dictated by the critical circumstances in which the country finds itself and which require respect for the rights of the individual, protection of his life and property and encouragement of his initiative, all for the purpose of reunifying and strengthening our ranks and resolidifying the domestic front in the interest of the nation.

From this very platform, we have already asserted that the RNI parliamentary group is more than ever aware of the heavy burden it is called upon to bear. It is also ready to consciously assume the responsibilities befalling it.

Within the framework of its responsibilities and moved by a spirit of frank and constructive dialogue, on the occasion of the debate on the 1982 Budget, we have a number of criticisms to make and opinions to formulate.

We hope that our speech will make it possible to correct mistakes whenever there is a need to do so.

The very fact of criticizing the government's action is proof that in our country, democracy is well assimilated. This reassures us and prompts us, within the RNI, to hope for an extension of this dialogue, opening it up and removing it from demagogy and preconceived notions. Only these criteria can raise the level of the democratic exercise and institute a clear and responsible debate.

In our positions, we are inspired by a sincere desire to work for the general interest and thereby fulfill the aspirations of the masses, seeking adequate solutions that will bring the country out of the circumstantial difficulties it is going through in these times of crisis.

Our opinions are the expression of the aspirations of the deprived classes and of the efforts these classes are making to survive.

Is it not our right and duty to aspire to change the life of these classes and offer them better living conditions, as it is stated in the Holy Koran: "God does not change the situation of a people before its members change themselves"?

We shall not emerge from the lines which we have set forth and we shall not engage in sterile controversies. We shall remain faithful to the principles of independence that are ours, without giving in to the orientations and attitudes that run counter to the needs of our nation. Nor shall we shut our eyes to the types of behavior that harm the country and its reputation and we shall expose any conduct that might further deteriorate the daily life of the poor and working classes.

Representatives:

On Thursday, 10 December, our honorable chamber followed the speech of the minister of finance in which he revealed the main lines of the 1982 Budget and admitted not having performed his duty until well after the final date set for the presentation of the budget by the constitution.

As he himself stated, the government's budget is not only a list of receipts and expenditures, but an essential tool for carrying out state policy.

We have thus learned from the minister that the developing countries that do not export oil have been weakened by the international economic and financial situation more than the other countries: a worsening of their difficulties and a drop in their gross national product; higher prices for consumer goods; higher deficits in their balance of payments; and larger foreign debts.

Consequently, Morocco's economic and financial situation is not without difficulties, the minister said, but it is curious to note that when the RNI makes the same observation, it is accused of exaggerating and of excessive pessimism. In this connection, who will deny that the balance of payments showed a deficit of 10.14 billion dirhams in 1981, double the deficit of the previous year?

Have our oil imports not gone up by 6.2 billion dirhams in 1981, double the 1980 figure?

Has spending not increased 17 percent, while receipts have risen only 11 percent?

Is it not a fact that the domestic and foreign balance is in a deplorable state?

In our opinion, these are only observations and not the expression of outrageous pessimism.

We were literally told that "the proposed 1982 Budget tries to establish a national consensus in which everyone must participate, each according to his means, and attempt to realize that solidarity so as to apply the government's program and the choices of the 5-year plan under the best possible conditions."

In addition, the main purposes of the proposed budget are the problems of employment and the rural world.

According to the government, the policy on the employment problem consists of the creation of 43,000 jobs, when the number of unemployed is estimated to be between 500,000 and 750,000.

According to the government, the remedy to the employment problem depends on the creation of 14 million work days through the National Promotion, or the employment of 500,000 persons for 28 days for an annual income of 420 dirhams.

As for the problems of the rural world, to which the government has devoted a package of 2 billion dirhams, we have found no trace of that allocation in the proposed budget. The same is true for the 150 billion earmarked for relieving the effects of the drought and the 60 billion for covering increased wages.

We would point out here that the government has not taken into consideration the living conditions of government employees. Consequently, we believe that the government is making a specific sector of the population bear the weight of national solidarity.

The main objectives of the 1982 Budget have also remained imprecise, so that one can have a clear idea of the degree of development expected.

Devoting 16 billion dirhams to direct government investments, in addition to the carried over credits of 14 billion is an illogical and fictitious operation and a sum impossible to spend in one year.

Furthermore, we have been told that "the funds available do not allow us to carry out all projects planned." Why not be content with the projects that can be carried out within the framework of this budget, which then merits the accusation of exaggeration in its evaluations?

There is a second contradiction: The government is relying on a second basic of economic recovery: rigorous interventionism and encouragement from the private sector. In the budget, there are provisions that are not at all in keeping with the encouragement of that sector, such as the tapping of wages and increases in professional taxes.

According to a member of the government coalition, "there is a contradiction between the creation of jobs and the use of taxation in order to increase government receipts."

According to another member of the government coalition: "Where is Morocco on the international scale of taxes and fiscal pressure? Is there any coordination between fiscal pressure and the encouragement of the private sector? Is there any coordination between provincial and local authorities in the field of investment, in which the obstacles are numerous?"

According to yet another member of a party belonging to the government coalition: "The measures proposed by the proposed 1982 Budget are negative and complicated. They are of a kind to create concern and are in no way beneficial. Investment requires funds, on the one hand, and cadres, on the other. Tax reforms are premature because the deputies have registered the promise of a general reform. The government should therefore have waited, just as it should have set the example by truly subscribing to a policy of austerity, instead of instituting an increase in the operating budget."

If the government majority formulates this type of objective and pertinent remark, the opposition can only acquiesce. We therefore support the criticisms expressed by the parliamentary majority, hoping that the government will profit from them. We point out that these remarks and speeches in no way constitute, as certain persons have asserted, dilatory maneuvers or the result of errors, but one more proof that the government has not made the effort needed to search for effective solutions that will put an end to the problems posed.

Likewise, the two-point increase in the usual 15-percent rate for taxes on products and services will definitely have a double effect, direct and indirect, on consumers and will touch low- and middle-income classes -- that is, most of the Moroccan population. The increase in domestic consumer taxes on mineral waters, which were in the reach of all citizens, will have a direct effect on low- and medium-income groups.

Despite all these provisions, we are sincerely convinced that spending has not been contained within reasonable limits and that receipts have reached a level that the country's economic situation does not permit, when we state that "given the delicate circumstances in which the nation finds itself, the members of the government must assume their responsibilities and their national duties with all the vigilance, discernment and high degree of awareness required." We say this with full knowledge of the situation, especially since we are backed by this evaluation of the minister of finance: "The deficit recorded in the general spending program of the Treasury and its income remains at a level requiring a great deal of vigilance."

These are only a few remarks that our group found necessary when the minister of finance presented the proposed budget to this honorable assembly. We put them together without classifying them because they caught our attention. Therefore, we cannot cease wondering how government income can go up 28 percent in 1982 when the state of the national economy and of the small and medium-size businesses (PME) is known to everyone, as is the declining purchasing power of the citizens.

Government spending has increased year after year: 1,950,000,000,000 centimes in 1978, including 1,134,000,000,000 for operations and debts; 2,155,000,000,000 centimes in 1979, including 1,282,000,000,000 for operations and debts; 2,356,000,000,000 centimes in 1980, including 1,513,000,000,000 for operations and debts; 2,817,000,000,000 centimes in 1981, including 1,817,000,000,000 for operations and debts; and 3,936,000,000,000 centimes in 1982, including 2,255,000,000,000 for operations and debts.

From 1978 to 1982, the government's operating budget doubled, and if this trend continues, we shall have an operating budget of 5 trillion centimes by 1986!

As for taxes, they go up year after year. In 1978, direct taxes amounted to 323 billion and customs duties 290 billion. Indirect taxes amounted to 404 billion. In 1979: direct taxes, 345 billion; customs duties, 260 billion; and indirect taxes, 477 billion. In 1980: direct taxes, 410 billion; customs duties, 296 billion; and indirect taxes, 524 billion. In 1981: direct taxes, 477 billion; customs duties, 405 billion; and indirect taxes, 616 billion. In 1982: direct taxes, 547 billion; customs duties, 514 billion; and indirect taxes, 780 billion.

Income from taxes on goods and services therefore doubled from 1978 to 1982, which seems to mean that the current government team is not bent on correcting the country's financial situation, as it should have done in keeping with the royal directives addressed to the leaders of the political parties and the prime minister a few days before the formation of the government.

Mr President, Ministers, Honorable Deputies:

At the beginning of December, we heard the government's program, whose urgent nature is obvious. This program makes the fight against the drought and its effects a priority. Its main lines include the following principles: providing jobs to those who enter the job market, both graduates and others; fighting unemployment; offering the citizens decent housing; improving roads; promoting and developing rural areas, creating an adequate electrical and drinking water system and correcting its isolation.

The echo of this government program can still be heard in this room, particularly when the government has pledged to carry out all projects, while respecting deadlines.

In one address, our group already brought up the fact that the government's plans might suffer from the absence of a financial package that could meet the burdens and imponderables demanding emergency measures such as the protection of crops and livestock, support for the commercial balance and correction of the financial imbalance, with the defense of our territorial integrity remaining a prime cause.

We expected the proposed 1982 Budget to contain financial measures whose effectiveness would respond to the urgent nature of the government's provisions, while protecting the purchasing power of citizens, avoiding an increase in duties and taxes and working to stabilize prices for basic food products.

Moreover, given the stagnation characterizing economic activity and in order to create the conditions that might vitalize the domestic market, while holding down prices on consumer products, we predicted that the proposed budget would contain various incentives for the different sectors, particularly agriculture, handicrafts and industry, support for private initiative in developing other sectors such as real estate promotion, which would make it possible to create jobs, while at the same time solve the housing crisis, and in the area of maritime fishing, which would help achieve food self-sufficiency.

Unfortunately, the proposed budget has disappointed us in many ways.

In fact, the government did not present the dynamic budget we expected. The timid proposals presented does not promise any imminent solution for the profound problems posed and cannot even fulfill the aspirations and plans contained in the government program.

We must not forget that this proposed budget represents the second year of the 5-year plan and that it should contain all that the government pledged to do this year, particularly in the field of education, health, youth and sports. In order for our analysis to be rational, in order for it to respond to our commitments concerning action within the framework of constructive and responsible opposition, we once again draw the government's attention to what it has pledged to do next year, the projects included in the 5-year plan, the principles contained in the governmental declaration and the material means made available to the Executive Branch. We shall therefore be able to evaluate the government's chances of facing its commitments, especially since the minister of finance has already warned against any excess of optimism or pessimism.

Mr President, Ministers, Honorable Deputies:

Our group has studied the proposed budget exhaustively in the Finance Committee. The members of our group participated seriously and effectively in the work of the committee and, in a concern for clarity and for proposing judicious corrections, they asked for clarifications and documents in order to verify the accuracy of the essential choices in the government's policy, in order to see to what extent this policy responds to real conditions and ask that the application of these choices in a sound manner not affecting the interests of the country or the citizens.

Consequently, within this framework, our group brought up the following points:

What is the situation of the gross national product? What are the figures on private and public investments? What will the employment and unemployment policy be in 1982? What are the burdens of the public treasury and its costs? What is the state of the balance of payments and the trade balance? How great is our indebtedness and our future prospects? When must the debts be repayed? What is the condition of the Compensation Fund for 1981 and its responsibilities for 1982? How will the deficit in the 1981 operating budget be covered? What was the situation of consumption and its trend in 1981? How are private savings doing with the banks, the National Savings Bank and the public treasury? What are Morocco's relations with the International Monetary Fund? How have we done on the first half of the 5-year plan and what are our prospects for the second half? To what extent do local communities benefit from material aid? How has the increase in the dollar affected the public debt? What is the government's position vis-a-vis the banks after France's nationalization of its banks? What is the situation of the National Promotion benefits? What do tax reform prospects look like? What is the fate of the collection laws?

All of these questions and requests for clarification illustrate the seriousness that marked our group's study of the proposed budget.

Our group also had frank reservations concerning any financial measure that might tend to increase the burden borne by citizens and any other measure that might cast the slightest shadow on our attachment to our territorial unit.

We have proposed several constructive amendments constituting a valid alternative to what we have criticized or rejected. Likewise, we have formulated numerous recommendations. Finally, we expressed a clear position of principle concerning the equipping of the Saharan provinces.

Actually, we have asked for an amendment of chapters on the agricultural tax, the professional tax and the tax on professional profits, wage deductions, compensations, salaries and retirement. We have asked for an increase in the portion of the wage exempted from taxes for all those whose income is between 6,000 and 12,000 dirhams a year. We expressed reservations about and asked for a modification of the chapters on the tax on agricultural products, the tax on products and services and the tax on rebates on allowances to emigrant Moroccan workers.

Concerning our recommendations, we clearly formulated to the committee our firm position on the withdrawal of credits for the southern provinces from the budgets of the different ministries and on making them available to the Office of Secretary of State for Saharan Affairs. We recommended that part of the emergency and reserve spending be devoted to the rural world and that we avoid exorbitant commitments regarding the floating debt and the amortizable debt, which could seriously burden the government's budget.

Likewise, we recommended that rental compensation be paid to beneficiaries and that the necessary interest be granted for profit margins of small merchants. We also formulated a recommendation on the hotel tax.

The committee includes these recommendations in the general report without discussion, which constitutes implicit consent.

We are presenting hereinafter to this honorably assembly a summary of the positions adopted by the different parliamentary groups so that every group will assume its responsibilities.

In fact, during the discussions on the amendments and the recommendations presented by the independent group, which are in keeping with the aspirations of the Moroccan nation, the positions of the majority were clearly outlined. The veil was lifted; mottos and slogans went up in smoke. Everyone had a clear vision of those who have designated themselves as the defenders of the rural world and its development and who have supported measures running counter to the demands of workers and low-level government employees, measures that have helped increase the burden borne by the nation with respect to taxes and fiscal pressure. This pressure is reaching an alarming level, we repeat, and one dares not remain silent about it.

Mr President, Ministers, Honorable Deputies:

An initial reading of the introductory note leads us to observe the following:

1 -- The next budget begins with a financial deficit resulting from an excess of charges, for when one compares expenditures with receipts, one notes a deficit of nearly 7 billion dirhams.

2 -- Expenses from the floating debt and the amortizable debt total nearly 4.5 billion dirhams. If this debt represents a commitment that the government intends to meet, then it is important that in the future, the government consider Morocco's situation and the difficulties it is experiencing. It must remain bent on austerity and avoid excessive indebtedness, for the cost of the amortizable debt and the floating debt have become so intolerable that they place a burden on the budget.

3 -- Unforeseen expenditures must be devoted, at least partially, to emergency situations such as the drought.

4 -- The overall sum of 200 billion centimes devoted to the advancement of the rural world, whose including in the budget we demanded, was not taken into consideration. We found no trace of that recommendation of interest to the rural world and which was rejected by the majority supporting the government. Consequently, some individuals have revealed their true position, to wit, falsification and the absence of any conviction with respect to the slogans supposedly aimed at helping the rural world.

5 -- The introductory note announces that the Office of Secretary of State to the Prime Minister for Saharan Affairs will have an enormous sum in order to carry out major projects in the fields of primary and secondary education, justice, housing, transportation and drinking water systems.

Because of the serious impact involved, we spelled out our position of principle in a note sent to the Finance Committee and we criticized that approach, which is in contradiction with the reality of the reintegration of the Saharan provinces into the motherland and with the need to unify the country's financial policy. Moreover, such a procedure risks being misinterpreted at home and abroad.

We would remind this honorable assembly that at the time of the discussion of the sectorial budget of the Office of Secretary of State for Saharan Affairs for 1981, the secretary of state declared that he had neither cadres nor any administrative structure.

On the contrary, if the Office of the Secretary of State for Saharan Affairs had projects to carry out in the Saharan provinces, it should have taken the initiative of asking the ministries involved to aid in the completion of such projects.

That is the reason why the group of independents asked the following in its note:

1) the need to reverse the decision announced in the introductory note to the proposed 1982 Budget and transfer the sums allocated to the various ministries for the execution of projects in the Sahara to the Office of Secretary of State for Saharan Affairs; 2) to maintain the sums allocated in their normal channel with respect to each ministry; 3) to instruct each ministry involved to carry

out the projects within its own purview, using its own cadres and structures in the Saharan provinces; and 4) to enable cadres working in the Saharan provinces to assume their responsibilities in executing social projects in the Saharan provinces.

In order to prevent any fallacious political interpretation and based on the reality of the reintegration of the Saharan provinces into the nation, the group of independents emphatically urges that the execution of projects in the Saharan provinces obey the same procedure as in the northern provinces, out of respect for unified procedure, that the sums entered into the budgets of the different ministries not be transferred, and that the idea of making the secretary of state for Saharan affairs the authorizer of sums devoted to the completion of projects in the different ministries be abandoned. Along this line of ideas, we can only express our great astonishment over the position taken by the minister of finance, who has considered our position as interference by the legislative branch in the action of the regulatory power and such a measure as a mere regulatory measure. Based on the analysis of the minister of finance, certain parliamentary groups have leaned toward the need to eliminate that paragraph from the introductory note, deeming that it is a regulatory act by the government.

The inclusion of this paragraph in the introductory note means that the government intends to make the nation's elected officials bear responsibility for the consequences of the idea. In fact, while certain parliamentary groups have not clearly expressed their position, claiming that the introductory note is not published with the law and that it consequently binds no one, we believe that such a position is lacking in courage, inasmuch as everyone knows that the introductory note is the reference for clearing away any ambiguities that might exist in the text and for determining the main lines of the proposal.

6 -- We would reply to the minister of finance that the problem does not concern the nature of this measure -- that is, determining whether it is regulatory or legislative, but the fear that it contains ulterior motives aimed at breaking up the structures that are at the very root of our decentralized administrative organization. How else is one to explain the concentration of financial means belonging to various ministries in a single ministry?

We believe that the development of our Saharan provinces must be ensured and remain within the general framework of the development of all provinces. No exception to the rule could be objectively justified unless it is a matter of satisfying personal ambitions.

Mr President, Ministers, Deputies:

That our group should have sought the possibilities of linking the government program to the proposed budget as an essential instrument of execution was in the natural order of things.

Through numerous paragraphs, the government program actually referred to the proposed budget, which proposal will provide deputies with an opportunity to evaluate employment opportunities offered and the completion of projects in the 5-year plan within the periods of time stated and in keeping with a precise schedule and financing plan.

Therefore, in the field of employment, one of the very foundations of the government program, the government has pledged to employ tens of thousands of citizens.

But if we refer to the proposed budget, we see that it creates 42,936 jobs, but only in the administrative area, and if we take away the 39,066 administrative posts reserved for National Education, the administration of National Defense, Public Health, the Interior and security forces, we see that the rest of the ministries receive only 3,870 administrative posts.

The creation of such posts is normal and natural at the time any budget is drawn up. It is a need imposed by the growth and development of the Moroccan administration.

In making a comparison, we see that during the 1981 fiscal year, 36,921 posts were created and that the ministries benefited more broadly and on a more overall basis, for the creation of jobs concerned the ministries of Agriculture, Justice, Finance and Transport, with the other ministries receiving 15,921 posts.

In 1980, the budget provided for the creation of 47,257 administrative posts and, aside from those in the field of primary, secondary and higher education and the training of management-level personnel, we observe that the other ministries divided up the remaining 28,883 administrative posts.

We deduce from this comparison that the proposed 1982 Budget has created fewer administrative posts than the previous fiscal years, at a time when the current government has promised to create the greatest possible number of jobs.

If we go beyond the administrative framework, we can ask about employment possibilities that might absorb blue-collar workers.

Where are the job opportunities for the rural unemployed?

In the light of the budget, it therefore becomes apparent that employment in the government program is not at all based on serious and exhaustive studies of unemployment or of the means to remedy it.

The government's program has also proposed to pay particular attention to agriculture, a sector upon which 60 percent of our citizens and our food supply depend.

The minister of finance's presentation emphasized the importance of agriculture in the country's economic and social life and on the effects of the poor atmospheric conditions on agricultural production. If we look at the 1982 Budget, we see that the government has tried to show its interest in the agricultural sector by devoting the sum of 1,900,748,500 dirhams to it, compared with 1,503,000,000 dirhams in 1981 to cover all areas of agricultural activity, including the fight against the drought that has raged for 2 years. The difference is only 396,748,500 dirhams.

In comparing these figures with what has been devoted to agriculture in recent years, we see that the budget of the Ministry of Agriculture increased 5.93 percent over that of 1980, a rate not attained in the proposed 1982 Budget, which leads us to think that it is far from responding to the problems of the rural world.

Among the essential foundations of the government program is the problem of housing, with the government proposing to carry out a vast program concerning the different provinces and aimed at absorbing the shantytowns and building nearly 50,000 housing units in urban and rural areas.

The presentation of the minister of finance and the proposed budget show a disproportion between what is announced in the government's program and the means for its execution.

In fact, the minister of finance emphasized the building sector in his presentation. The government proposes to support promoters by extending to 25 years the terms of credit granted by specialized institutions to investors, revising land value for small and medium-size buildings and creating a housing savings system.

It is true that the equipment budget of the Ministry of Housing has increased 151 percent in absolute value, but the proposed budget does not include measures making it possible to build 50,000 units in urban and rural areas. In fact, it is a question of the construction of only 15,000 units in rural areas and 5,000 in urban areas, the rest being only measures aimed at rebuilding shantytowns or completing development work. This means that housing needs will continue to rise. Likewise, we have not clearly perceived the efforts that the government intends to make to complete the low-income housing for the families of martyrs.

Mr President, Ministers, Deputies:

It has been admitted from this platform that fiscal pressure has reached its limit and the official positions defended at that time explained that the increase in taxes in order to procure new resources risks damaging the relative balance of the tax system.

In the face of the revolution brought about by the proposed budget in question regarding taxation, we are forced to make a comparison with current laws approved by the Chamber of Deputies.

In 1979, the government emphasized the need to introduce reforms into our fiscal system so that it might be in accordance with our economic policy and bring about more justice in citizens' participation in the government's financial effort. The government has justified the changes made within the framework of the 1979 Budget as being preliminary measures aimed at correcting financial measures and achieving greater justice in taxation.

Concerning the 1980 Budget, the government proceeded to make amendments aimed at promoting activity in some economic sectors, reducing the burden on certain taxes affecting small taxpayers and improving the situation of the general treasury. The government justified these amendments as minimal and as being of a rehabilitative nature and not in contradiction with directives aimed at fiscal reform. Consequently, it proceeded to revise taxes within the framework of what is called fiscal readjustments affecting real estate profits, recording and stamp duties, the tax on professional profits, duties and taxes on imports and taxes on cinematographic projections.

In 1980, the government proceeded to revise the tax system in order to reduce social inequalities. In order to do so, it chose, from among the measures applied, those essentially aimed at the participation of the wealthier classes of the population and the creation of a national solidarity tax. During this operation, the government admitted that our tax system dates from 1961 and has only evolved through sporadically introduced amendments.

In 1981, the minister of finance stated that the budget included no legislative change that would increase the tax burden and that the government, aware of the tax usefulness, was going to present to the Chamber of Deputies a proposed tax reform, after noting gaps in this domain regarding local and agricultural taxes.

Mr President, Ministers, Deputies:

You can see that the only year in which the Moroccan masses were not affected by the tax system was 1981. This respite lasted only a very short time and once again, we are presented with a proposed budget accompanied by an increase in certain taxes.

The government found itself facing an increase in its customary expenditures and investments introduced in the 1982 Budget and decided that in order to meet it, the only solution would be to rely on its domestic means, given the burden of the foreign debt and the crisis in the world financial situation. The government should rather have proceeded to revise spending, continue the policy of austerity and postpone investments not of an urgent nature.

In order to increase taxes, the government hid behind the principle of national solidarity, hoping that the wealthier classes would effectively participate in the increase in resources paid in. However, results show that this burden will hurt low-level government employees and white- and blue-collar workers.

Therefore, the tax burden affects: the tax on professional income, wage deductions, patents, amended taxes on imports and exports, customs duties and indirect taxes, domestic consumer taxes, the tax on goods and services and automobile registrations.

The government believes that these changes in taxation will have the following effects: an increase in government income; a reduction in social inequalities; a reduction in the burden of small and medium-size businesses; and an increase in the participation of those enjoying profits within the framework of public spending.

We are going to show clearly that this view contains certain contradictions in the sense that the tax measures are improvised and not preceded by the necessary studies.

It is true that in this crucial period through which our country and national cause are passing, the payment of taxes constitutes a proof of national awareness, as well as a sacred duty, but we must not ignore the harsh reality experienced by the masses (as the government programs emphasizes, moreover), especially since the heavy tax burden makes us think of the French example that "taxes kill taxes."

Concerning the increase in government receipts, we fear lest the tax burden result in a reduction in government receipts.

With respect to a reduction in social inequalities, we fear that deductions from wages may hurt low-level government employees and workers and thereby aggravate these inequalities. The increase in taxes and their revision would be acceptable if the material situation were good and activity picking up. However, the circumstances are difficult, as the prime minister stated, and the citizens are not willing to accept an increase in taxes. Therefore, the principle that brings the government to rely on taxes in order to increase its resources should be revised.

In sum, if there is one phrase to describe the current budget, it would be "easy solutions." The budget has come along to register needs, without ensuring any rehabilitation, made all the more necessary because this is a developing country.

In addition, the balance toward which the budget is reportedly aimed is an imaginary, improvised balance, despite efforts made to convince us of the contrary. This observation is clear in the exaggerations of receipts from indirect and direct taxes and the allegedly colossal receipts from the public establishments, while the government recognizes that the country is going through difficult circumstances.

On this path (the path of imbalances), where are the 60 billion which the prime minister says are reserved for an increase in the salaries of government employees and which were diverted within the framework of what he called national solidarity and aid to the rural world to meet the effects of the drought?

In order for the government to be convinced of the irrationality of its analysis, it is necessary to make the following observations:

In order to arrive at a surplus, it is necessary to have credits based on a real balance showing a surplus of at least 60 billion. The truth is that that surplus does not exist.

Likewise, respect for the most basic financial techniques would prevent the release of a sum reserved for operating expenditures in order to cover equipment expenses.

In the final analysis, is it logical for the government to go back on a credit that was earmarked (according to its own remarks) for an increase in government employees' salaries, especially the least well-off among them, in order to cover a minimal part of the investment program?

Without hurting feelings, can one speak of national solidarity when credits, in principle reserved for relieving the burden of the poorer classes, are transferred to an antidrought plan that was initially to be financed by the government, as is the case for equipment credits from domestic and foreign loans and treasury means?

Mr President, Ministers, Deputies:

Considering the response of the prime minister and the presentation of the minister of finance, we are bringing out contradictions that make any coordination of the choices defined unlikely.

The prime minister stated in his government program that the government promises the nation's representatives to do everything included in the 5-year plan and that in order to do so, it is necessary to mobilize financing means estimated to total 111 billion dirhams.

Therefore, we ask ourselves questions about the keeping of these promises, especially since the prime minister has not failed to emphasize the existence of a difficult economic and financial situation.

We also wonder about the keeping of such promises, given the admission of the prime minister that economic activity is down, the GNP is stagnant, the price index is rising, the trade balance and balance in current accounts are negative, the oil and grain bills are increasing, and finally, our foreign currency reserves are brought into play to relieve the deficits in the balance of payments.

We wonder about all of this at a time when the prime minister admits that the circumstances are not easy.

The prime minister also stated that the government will see that the application of the 5-year plan is kept to a strict schedule, aimed at defining goals and the means to arrive at them. Likewise, the government pledges to respect the schedule for the completion of an emergency program, without any effect on the actions of the 5-year plan and even though the government admits that the financial means do not exist at the present time.

This admission is clear through the remarks of the prime minister, according to which the government will work to find the means needed to finance all projects through domestic material means and the closing of foreign financing doors. Once again, we wonder about the guarantees on which the government bases its action in order to arrive at its goal, given the difficulties noted.

Therefore, it is for this reason that the group of independents has asked for a revision of the 5-year plan and for a delay in the completion of certain projects that would not risk doing harm to the country's interest.

It is in fact strange that projects remains blocked at the dossier level, waiting for the government to undertake a campaign to explain the main lines of the 5-year plan abroad.

Mr President, Ministers, Deputies:

No one is unaware that the drought has hit the country hard and that despite the recent rainfall, the effects of the drought must still be fought. Consequently, exceptional measures must be taken. First of all, we must postpone the completion of certain projects that are not urgent and whose delay would in no way affect the general interest. We must earmark credits, allocating them to the rural world and to the development of agricultural production through actions to replace livestock and prospect for drinking water. It should be noted that the projects deferred are not part of the major sectors: national defense, education and the creation of jobs.

The independent parliamentary group suggests postponing the completion of the following projects this year:

Equipment: the Casablanca-Rabat highway; the Kenitra-Larache road; and the Rabat peripheral road.

Transportation: halting work on doubling of the Casa-Rabat railroad line.

Energy: halting action aimed at participation in the establishment of mining companies.

Post Office and Telephone: halting work on the International Telephone Center; postponing the long-distance telecommunications network program and the purchase of underwater cables.

Information: canceling the proposed construction of a new headquarters for the Ministry of Information; halting the project to set up the second television network; postponing construction of the MAGHREB ARABE PRESSE AGENCY production and operations station; postponing the proposed expansion of the RTM [Moroccan Radio and Television].

There is a long list of projects whose profitability studies must be reviewed. It is also necessary to achieve a balance between the cost of projects and our financing possibilities.

Mr President, Ministers, Deputies:

Our study of the proposed budget led to the following general observations:

1 -- Drop in GNP

According to information from the Finance Committee, the GNP went down in 1981 due to the drought that hit the country. Its effect on the agricultural world was so great that production dropped over 22 percent compared with 1980. The building sector declined 10 percent.

2 -- Drop in Per Capita Income

The drop in the GNP could not fail to have a direct effect on the per capital income. In fact, considering the population growth rate of 3 percent a year and the 4.5-percent drop in the purchasing power, the per capita income registered a decline of nearly 10 percent. This state of affairs is confirmed by the growing number of persons from rural areas who are migrating to the cities.

3 -- Increase in Budgetary Imbalance

The drop in the GNP inevitably heightened the treasury deficit, which went up 86 percent compared with the previous year. This forced us to resort to foreign borrowing and our debt increased 75 percent compared with the past year, while the equipment budget dropped 13 percent.

4 -- Higher Foreign Debt

Recourse to foreign borrowing is not blameworthy in itself and all developing countries follow the practice. However, we must consider our ability to repay loans and the interest that is increasing dangerously. Interest represents 32 percent of the total figure of our foreign receipts (exports plus TME receipts [expansion unknown], compared with 17 percent in 1978. It should be noted that the share of public organizations (and essentially the OCP [Moroccan Phosphate Office]) in the foreign debt is assuming major dimensions.

5 -- Trade Balance Deficit

The drop in the GNP due to the drought has forced the government to import large quantities of grains. Our imports have gone up 67 percent over the previous year. Imports of energy and food products alone represent 94 percent of all exports.

The proposed budget came to Parliament very late. The independent parliamentary group reminded the government of the delay. The fact is that the Chamber of Deputies had only 20 days to study and discuss the budget, which made it necessary to overlap committee meetings and overburdened members of the Chamber.

Despite these difficult conditions, our group assumed its responsibilities under the proper conditions. The assiduousness of its members and their speeches elevated the content of discussions. Our group demonstrated militant and responsible optimism.

The RNI denounces the pressure placed on it so that discussions would end by 31 December. The majority has engaged in a race against time and has resorted to every possible means to expedite voting operations.

Rumors that the majority has allowed to circulate on the subject of the financial harm that the country might suffer if the vote on the budget does not run beyond 31 December are without grounds, for the legislators have taken precautions and have found the remedy in Chapter 9 of the text governing finances.

In addition, the countries whose parliamentary democracies are identical to ours experience such things, but the responsibility or failing belongs to the majority.

Mr President, Ministers, Deputies:

We have tried to present our point of view on the proposed budget presented to us. We have also tried to ally our activity within the committees and the Finance Committee and prepare our speeches. We do not say that we have touched upon all aspects, all ideas, points of view and alternatives. But we say that we shall continue to make our position known about the budget for the coming year in the columns of our daily newspapers, with the documentation, analyses and figures.

In conclusion, it is a pleasure for me to thank the head of the committee, Dr Rachidi, for the great understanding and competence with which he has headed the work of the committee. I would also like to thank the general reported, who made great efforts to draw up his report, and all cadres who contributed to the drafting of this report.

Mr President, Ministers, Deputies:

We have listened attentively to the report which the minister of finance made on 10 December, when he presented the proposed budget for 1982. We actually began to study the proposal on Monday, 14 December, in the Finance and Planning Committee. We asked the minister for clarifications and a certain number of documents that helped us to analyze and make a comparison between the imperatives contained in the 5-year plan and the proposed budget. Likewise, we subjected all of this to a comparison with the contents of the royal directives spelled out by King Hassan II within the framework of the Cabinet meeting which he headed and during the ceremony at which the new governors were appointed.

While the prime minister, in his response to the remarks and criticisms of the deputies in their debate on the program of the current government, textually asserted that the government has had the necessary moral courage to point out the problem of justice, and while he is aware of the enormity of the responsibilities befalling him, the deputies belonging to the National Rally of Independents have always been and remain attached to realism, clarity and frankness in analyzing the country's situation, anxious to fully assume their responsibilities. That is what has led them to go further with their study of the proposed budget, as a mirror reflecting government policy. It is precisely this further study, research and analysis that have enabled us to see whether the financial measures taken can attenuate the problems posed and respond to the commitments made in the government program, particularly with respect to the creation of jobs, development of programs to fight the drought and the completion of projects contained in the 5-year plan concerning financial resources for 1982, first of all, seeing whether they respond to the high royal directives and carry them out. In fact, since he ascended to the throne, King Hassan II has constantly given us the best example through his sustained interest and his perfect knowledge of the problems of the Moroccan people, proposing, in his infinite wisdom, solutions that might assure his faithful subjects of prosperity, equality and dignity.

It is the high royal directives that guide our action on the path of constructive criticism, enriches democratic practice with a sincere patriotic contribution and presents alternatives without ulterior motives.

Given the fact that the clarifications given to us by officials and the responses that we have derived from our far-reaching study of the proposed budget have not convinced us that the government, within the framework of the 1982 Budget, is committed to austerity, will employ the greatest possible number of unemployed persons, will reduce social inequalities, develop rural areas and attenuate the effects of the current crisis and finally, will meet the aspirations of the great majority of all citizens, then as a result, we cannot support the proposed 1982 Budget.

11,464

CSO: 4519/107

NRI CRITICIZES GOVERNMENT ECONOMIC POLICY

Casablanca LA VIEW ECONOMIQUE in French 11 Dec 81 pp 4, 6

[Text] The National Rally of Independents [RNI] (which is not a participant in the new government) has announced its firm opposition to the program that the new government has presented. RNI made its views known in a long manifesto published in its newspaper AL MAGHRIB, in which it is unsparing in its criticism of Mr Bouabid's government.

Of course, the new opposition can and should play an active and useful role, to the degree that it criticizes what it believes to be errors or inadequacies. But at the same time, it should also suggest solutions.

The RNI emphasizes, for example, that the country's indebtedness has now reached 31 percent. But in this period of unbridled inflation, such a figure is not all that bad, and in any case how could it be reduced?

The RNI also underlines the extent of the trade deficit. But how can this be avoided, given the new increase in the price of oil and the massive imports of grain?

On the other hand, the RNI proposes a series of measures designed to bring exports back up to the level needed, but where is the mention of [new] tax measures? It also lays stress on the crushing weight of the "tax burden," although it is necessary to be sure that everyone pays his fair share of taxes.

But whatever the intentions and whatever the measures, nothing can be done without an effective tool, and that tool is the bureaucracy. In that regard, the RNI believes the latter must get out of the redtape and lethargy in which it is mired. That seems obvious enough. And it is important too.

Here, then, are the points made by the RNI in AL MAGHRIB:

The first point to be made is that the governmental program has not been spelled out with precision, nor does it respond in a comprehensive way to the imperatives in this crucial period of our country's life.

It is too easy to try to shift all the blame to external sources, such as world inflation, or temporary problems such as the drought. A proper analysis should reserve an important place for purely internal problems which have unfortunately become deeply rooted, such as:

--The resignation and impotence that characterize the response of the government and the bureaucracy.

--The inconsistency and irresponsibility that prevail in the day-to-day management of government affairs.

--The obvious absence of the will or ability to resolve the most complex and urgent problems.

An objective analysis of the country's economic and financial condition shows that there are serious problems in every domain. For example:

--Indebtedness has now reached 31 percent of the monetary value of our exports, despite revenues from tourism and from Moroccan workers abroad, while the limit not to be exceeded is 23 percent.

--The 1981 balance-of-trade deficit is between 10 and 11 billion dirhams, according to statements made by the minister of commerce, industry, and tourism. (The total volume of imports was 22 billion, so the rate of coverage was 42 percent.)*

--The balance of payments deficit is 8 billion dirhams.

In addition:

--Trade is sluggish.

--There are problems in several branches of industry.

--Private and public savings are inadequate.

--The intolerable tax burden is inevitably leading to the creation of a parallel economy, which will be accompanied by customs and tax fraud as a result of various restrictions and protections.

This analysis shows that the country's current means and its capacity to cope with additional debt are so limited that it seems clear the numerous and varied promises contained in the governmental statement cannot objectively be kept.

Productive Sectors and Exports

Analysis of the economic and financial data contained in the government program shows the absence of a well-defined policy of industrialization in the country, the absence of a policy on international trade, especially on exports, and the absence of a financial policy.

*Editor's note: At the end of September the rate was 50.2 percent.

With regard to foreign trade, the government program puts the accent on the necessity to expand exports, at the same time announcing the preparation of a new law relating to promotion of our sales abroad. But given the problems we are facing with our foreign markets, the proposed legislation by itself will be ineffective in achieving that objective. We think that it is an urgent necessity to elaborate a well-defined policy based on making our products more competitive, on improved commercial representation in our embassies in order to make Moroccan exports more widely known and to provide more information about our products, and on beefing up our merchant marine and revising the tariffs on maritime transport. It is also necessary to involve producers in the promotion of our products overseas.

We cannot fail to mention, in this connection, our relations with the EEC and the injurious effects the integration of Spain and Portugal into the Community will have on our economy. We expected the government programs to spell out the policy and measures to be taken to protect our exports and our balance-of-trade position with respect to the EEC. We sincerely hope the government will revise its policy toward the EEC and engage in negotiations to strengthen our position and protect our interests.

The Development Plan

--The drought from which the country has suffered makes it necessary to revise the objective of 6.5 percent annual growth in the gross domestic product, which declined this year and is expected to decline further in 1982. It appears, therefore, that the stated objective of a 6.5-percent increase is impossible to achieve unless domestic production increases by 11 to 12 percent per year over the next 3 years.

--The appropriations planned for the Five-Year Plan amount to 11 billion dirhams, and it is expected that the private sector will provide 39 percent of the anticipated investment. In practice, however, things are quite different, and the government is providing no more than 7.6 billion dirhams in 1981; this is not enough to make it possible for the private sector to achieve the economic takeoff desired, as both the national private sector and foreign capital are losing patience with the delays in the enactment of laws to encourage investment in the agricultural, industrial, artisanal, and tourist sectors. There have also been delays in measures to encourage exports--something the government has been promising to do since 1979. No one, in fact, can fail to realize that investors do not take risks, and when they were informed of the government's intention to revise the investment code and carry out a tax reform, investments were held up to await the new laws. There can be no doubt that the government has drafts of these proposed laws, and we want to learn more about them before they are published.

In any case, we think the appropriation of 11 billion dirhams for this 5-year period and the full execution of the plan have become difficult if not impossible. It thus seems clearly indispensable to review the plan and reconsider the proposals in light of the effects of the drought and the need to resorb unemployment and bring the plans into alignment with the directives of His Majesty the King on the development of agriculture and the rural sector.

Tax Reform

How, then, is it possible both to channel public savings into the rural sector and at the same time carry out major public works projects such as those for the urban community of Casablanca, which will require 130 billion centimes, though the plan provides only 5 billion? It is the responsibility of the government to clarify its strategy. We would like to draw the attention of the government to the necessity of giving priority to state-owned enterprises, primarily the small and medium-size ones, where such projects are to be financed.

We would point out that the latest planning statistics on employment show that unemployment increased from 7.6 percent in 1977 to 8.7 percent in 1979, and these statistics were explained by the lack of sufficient investment and by the effects on industry of the austerity policy.

Eradication of unemployment can only come about by giving industries a boost and encouraging the private sector, by lightening their burdens so that they can more effectively contribute to the creation of jobs.

It is the government's responsibility to define its objectives and the obligations of private enterprise in this area in order to avoid confusion. Some sharing of responsibility indeed exists on paper, but it has not entered into practice. And we note, unfortunately, a number of pressures being applied by the administration which erode the importance of those provisions.

Finances

The government continues to call for austerity, while waste and unnecessary expenditures are still a daily occurrence in the administration.

Many, many times we have called for the establishment of a real austerity program in order to preserve the country's financial potential, to enable it to continue the national struggle. To do this, it would be necessary to struggle against the external signs of wealth and excessive spending which are noted in several of the country's official sectors. Morocco can no longer afford to live beyond its means by squandering its revenues, if it wants to avoid a catastrophic economic situation.

The Bureaucracy

In RNI's view, the bureaucracy can be cleaned up only by rigorous control, flawless efficiency, and flexibility in the procedures followed by officialdom. Also needed are real decentralization and improvement in the bureaucracy so that it can stay in tune with Moroccan realities.

Under these conditions, the Moroccan bureaucracy must free itself of redtape and lethargy in order to create a new dynamism. That will certainly require mobilization and patriotism if there is to be an enthusiastic, fervent dialogue with the people.

But it would be dangerous to generalize, because our administration, thank God, has a certain number of competent officials of high integrity who put the public interest above everything else. We must pay homage to them.

The bureaucracy should also avoid creating the conditions for temptation. And, as we have said in the past, it must be pointed out that the tax burden, excessive customs protections, and irrational procedures are factors which engender corruption and speculation.

Naming incompetent people to certain positions creates a climate of tension and breeds the climate of resignation which impedes improvement in the bureaucracy.

We want to government to move quickly to reform the bureaucracy.

These, then, were some comments and observations which the RNI has tendered, in the first place in order to draw the attention of the government to the inadequate thought that seems to have been given the governmental program, and in the second place to create a climate of wholesome and constructive dialogue on the conduct of public affairs.

These observations are also made in hopes of acquainting people with the positions and alternative solutions which the RNI espouses. That does not mean that the government's program is without merit. Our aim, in the RNI, is to point out defects and inadequacies in order to be able to avoid them in the future.

9516

CSO: 4519/78

DESPITE GOVERNMENT PROMISES, PRICES CONTINUE THEIR CLIMB

Casablanca AL BAYANE in French 8-22 Jan 82

[8-10 Jan 82 pp 1, 3]

[Text] Since it took office, the government has made promises, many promises. But above all, it solemnly undertook to see to price control and to use every means to prevent prices from climbing.

What has become of these promises? It is not enough to note the increases decreed by the new law of [line or lines missing from the text here], which increase the rates charged by the state on certain consumer goods.

Today it is the government itself which is forcing an increase in prices in sectors in which any increase represents an attack not only upon the purchasing power of the broader masses, but also economic activity itself, already suffering from crisis, stagnation and recession.

For example, we have learned that the authorities have just authorized an increase in the price of cement.

Since 1 January 1972, the price of a 50 kg bag of cement has been 22.50 dirhams, whereas previously it sold for 18.85.

This is a sudden and major increase, amounting to 12.70 dirhams per hundred kilograms, for which the price has gone from 37.70 to 45 dirhams, i.e., a jump of almost 20 percent at one time!

And on what basis is this increase, which will have a direct effect on construction activity and prices, justified? What immeasurable elements, in all objectivity, dictate this increase in the price of cement? No one knows, no one says!

What is true of cement is valid in many other sectors. In fact, we must expect an increase in the prices of certain medicines, while there is an upward trend in many of the products and materials used in industry. This is the case with newsprint, and it is also what is happening with spare parts, which are imported, it is true, but to which a supplementary rate of increase has been assigned, to the point that the SOMACA [Moroccan Automobile Manufacturing Company], we have heard,

is on the brink of closing its doors, in view of the catastrophic automobile slump in recent months due to the astronomic prices charged the public.

To what point will this constant price increase, presented to us as an "inevitable process" beyond human control, affecting all sectors, one after the other, continue?

Is the government there? Did it make promises? Then let it respect its commitments and all the promises so loudly made to the parliament as well as via the government information channels! A price ceiling is needed, both where current consumer products and the goods and materials essential to economic activity are concerned.

[12 Jan 82 pp 1, 3]

[Text] As is known, the new finance law, approved at the last minute within the prescribed legal period, calls for an increase in taxes on enterprise profits, among other things. That is, the TPS (Tax on Products and Services) was increased from 15 percent to 17 percent for 1982.

But the owners will not hear of it. On their own account, while the government is proclaiming its desire to establish a price ceiling (while wages for their part are frozen), various enterprises have decided to pass on the increase in the TPS to be borne by the consumers. In this way, it is again and always the people's masses who bear the cost of the government policy, which is supposed to improve "fiscal justice!" Many examples of this new blow dealt to purchasing power could be supplied. For now let us merely note that soda pop and other sweet carbonated drinks have increased. For example, since last Thursday, the family size bottle of Santa (1 liter) sells for 2.10 dirhams instead of 2 dirhams.

Where then is the halt in prices loudly promised by the government?

What of the guarantees, reiterated innumerable times, to the effect that the authorities were determined to control prices and prevent illicit increase?

[13 Jan 82 pp 1, 3]

[Text] Those who had to buy meat or poultry just prior to the Mouloud holiday--and there were many such--were faced with the disagreeable choice of paying dear or going without.

At the Derb Challef market in Casablanca, located in a workers neighborhood, and thus generally cheaper than others, particularly the downtown market, meat and poultry prices exceeded every record on this holiday eve.

In fact, mutton was available at 25 dirhams per kilogram, while veal cost 22, showing an increase of 20 and 25 percent, respectively, in just a few days. These abusive increases came at a time when the rains finally decided to fall.

It is true that the supply of animals for slaughter has dropped following the recent rains, for the herds, or what in fact remains of them after the drought, can

now graze and live on the grass which was not long in sprouting in the countryside, except in the southern regions of the country.

But this should not justify such substantial increases, particularly since it is the wholesale butchers, these speculators who would starve the people, who impose the prices they want and who cheerfully profit from the situation to the detriment both of the peasants and the consumers.

For the small peasants, the recent rainfall, if indeed it was beneficial, is but a small consolation coming after long months of drought during which they have had to slaughter a large part, if not almost all, of their animals at laughable prices (another windfall for the wholesale butchers!).

For the small and average consumers, mutton and beef remain expensive, and thus rarely affordable, products, whether it rains or not.

Nor is it possible to expect an increase in the cattle available for slaughter, at least in the short range, for it is necessary of course to plan for rebuilding the herds. Thus it is a certainty that the price of red meat will remain very high, if indeed it does not increase further.

Under these circumstances, the consumer falls back on poultry, which is generally cheaper. And this is where the shoe pinches, because the poultry breeders, another category of speculators, seize the opportunity created by this heavy demand to impose prohibitive prices.

In fact, again at the Derb Ghallef market, "Christian" chicken costs 15 dirhams (an 80 percent increase over the price listed just a few weeks ago). Good going, poultry breeders!

As to "beldi" poultry, it has currently increased to 18 dirhams, also up 60 to 70 percent in comparison to its initial price! Eighteen dirhams was the price of a kilogram of veal just a short time ago. The consumer no longer knows where to turn. The rainfall, which naturally means salvation for the country's economy after a drought, creates a situation favorable to speculators of every sort, while the authorities do not even lift a finger to regulate and control meat prices.

This situation is curiously reminiscent of the misappropriations, misuse of funds and other arbitrary practices encountered in the distribution of flour and animal feed in the world sector.

AL BAYANE is daily reporting these scandals which are particularly hard on the peasant masses, already reduced to poverty by a bankrupt farm policy, on top of which we now have the drought.

The new government in office solemnly promised the elected officials of the nation that it would subject prices to strict control. But in this article, we report proof that it has not.

[14 Jan 82 pp 1, 3]

[Text] The daily reality has again given the lie to the guarantees and the promises of the government. Contrary to what the authorities said would happen, the price rise continues its constant and inhuman advance, plunging the vast majority of popular households into the daily throes of seeking a vital minimum. We were told that goods of the first necessity would [line or lines missing from the text here] of price. This is false, because daily AL BAYANE reports specific examples of increases, not for imported or luxury products, but for current and necessary consumer goods and products.

This is the case with Tide, a powder detergent well known to housewives. Without warning, the owners of the brand, the Aetco-Lever-Morocco Company, an affiliate of a multinational firm, has increased the price from 0.50 to 0.60 dirhams for the small (we would say miniscule) size, from 1.20 to 1.30 dirhams for the medium size, and from 1.80 to 2.00 dirhams for the large box. Was this an unauthorized increase, or did the government authorities indeed support it? The latter is certainly more probable, and thus the more scandalous possibility, since it is in total opposition to the official statements.

Powdered detergent is a widely used product, basically necessary to the least prosperous households. Thus we see that the policy of ceilings goes no farther than a simple statement. With this new increase, the government is dealing yet another blow to the already very limited purchasing power of the least favored households, while wages, for their part, remain frozen or are increased by such tiny percentages that they barely suffice to cover the increase in the price of matches!

The official policy of controlling the rise in living costs provides a new instance of flagrant and criminal lies, and the examples which will be seen in the days to come in the columns of this newspaper will confirm this bitter statement.

[15 Jan 82 p 1]

[Text] We are continuing with our reports of arbitrary and successive price increases. Today, it is medicine, for which there is also an increase. This is the more serious since the increase affects mainly "popular" medicines, those which are widely used and which are designed to treat (but not always to cure!) minor and temporary ailments.

All of the pharmaceutical products which were sold at 5 dirhams or less have now gone up by 60 centimes.

Here is another sector in which the government is caught in flagrante delicto in violating its commitments. Where are the promised price ceilings? Where are the decisions which were to prevent any increase in standard consumer products? Medicines provide a new example that the officials are not keeping the promises they solemnly made.

[16 Jan 82 pp 1, 3]

[Text] Medicines in wide popular demand have joined meat and Tide on the list of ever new daily increases, despite the solemn promises made by the government to halt the spiral. The result is that we are witnessing scandalous price rises. But these are far from being "unofficial" or occurring in obscure markets or on the initiative of certain dishonest merchants who evade the famous department for the prosecution of fraud, which is in fact lethargic, tolerant of some violations and capricious, sometimes taking action on the basis of who the fraudulent party is. No, these increases are open and avowedly "legal," so to speak!

The increase which we are reporting today was officially announced in writing by a large local company to its clients. In fact, the African Oil--Berleit Oil Company has just "courteously" informed its clients of an increase in motor and engine oils, hydraulic oils, industrial oils and lubricants.

This increase is effective as of 1 Jan 1982.

The change in the prices for these products is made necessary, the African Oil Company says, by the latest increases in taxes, and also it claims it has had to pay higher prices for its supplies of additives and containers.

Is this a pretext or a valid reason?

The fact nonetheless remains that this supplier does not hesitate for a moment to pass all of these changes on to the consumer, whether they are due to market fluctuations or increases in the TPS or other taxes.

A more serious fact, moreover, is that these increases announced by the SAH or other sellers are not the first. The phenomenon is snowballing.

AL BAYANE reported on this escalated increase in the prices of industrial oils on 26 September 1981:

an increase in February 1981;

an increase effective on 14 September 1981; and

an increase effective as of 1 January 1982.

Thus in less than a year, three increases, and not small ones at that, have come one after the other.

One can judge from these examples:

Type	Specifications	Sept. 1981 Price	New Price
[Illegible]T 6.9.13 compressor oil	190 kg barrels	1,276.70 dirhams	1,353.30 dirhams
SL 4 stripping oil	190 kg barrels	2,246.50 dirhams	2,381.30 dirhams
Textile industry oil	190 kg barrels	- 927.20 dirhams	2,043.40 dirhams

These are only a few indicative examples for oils. The same is the case for fats. For example, the price of lithium soaps for all uses has climbed successively from 1,662.40 dirhams for a 190 kg barrel, in February 1981, to 1,841.45 dirhams and now 1,958 dirhams.

Oils for engines and other mechanisms such as transmission and gearboxes for vehicles have not been spared in these increases.

The same is the case with antifreeze and brake fluids. Five-liter cans of oil for gasoline or diesel engines, as well as transmission gearcases, have seen substantial price increases, as have antifreeze and brake fluids as well.

Automobile drivers are in a fine position following the increases in fuels.

We will not dwell further on the consequential and cumulative effects of these increases on mass and freight transport and therefore on the price of these services.

What can we say further about the effects of these unjustified increases on farm equipment, which consumes numerous greases and oils, in this period when we have such great need for collective farm effort?

Where are the government's promises to halt price increases?

Where are its commitments?

What measures have been taken to halt this escalation of increases?

Once again, until other examples develop (as alas they will), here is proof that the action does not suit the deed!

[17-18 Jan 82 pp 1, 3]

[Text] Once again price increases, always price increases, everywhere price increases!

Everyone is aware of them, no one approves of them, and the government "keeps a low profile" while waiting for the storm to pass and for the public to forget that it made solemn promises to prevent any further increase in living costs.

But the daily reality prevents us from lapsing into forgetfulness. Every day brings a new increase.

For example, it is now table and mineral waters which have joined the list--industrial oils, medicines, meat, detergents--on the rising cost of living train (one way trips).

Since Friday, bottles of Oulmes, Sidi Ali and Sidi Harezem water are for sale at a new price, 25 centimes higher than before.

And here again the TPS, that fiscal "scab," serves as a pretext or an official justification. But the important and the scandalous thing is that it is again and still the consumers who pay the cost of the increase. The two percent increase in the TPS, supposedly, the government claims, to strengthen the tax charge against businesses, is reflected in increases in a proportion of about 10 percent on the prices of goods and products offered to the consumers.

But where then are the government promises? What has become of the government commitment to halt the rise in prices? Where are the steps to control and limit abusive increases?

[19 Jan 82 pp 1, 3]

[Text] AL BAYANE, concerned about improving living conditions for the popular masses, and thus maintaining their purchasing power, is making a daily effort to show that the promises of the government when it comes to halting price increases are not by any means being kept.

In these columns a few days ago we reported the increases affecting certain commonly used and thus widely consumed medicines. We return to this problem, to provide precise examples, because in many homes, it is usual in case of pain, fever, serious or mild illness, to take "miracle" drugs, tablets which cure everything and quickly, or at least in the popular mind have that reputation. In view of prices, self-medication prevails.

These medicines are very often based on what common sense calls "aspirin" and are consumed in very heavy doses. In pharmaceutical circles, there is full awareness of this reality, wherein a fierce battle is waged among the various manufacturers, importers and wholesalers to conquer this market. Also, they function as a veritable lobby in seeking price increases, supposedly intended to prevent a reduction in their profit margins, but in fact in order to ensure greater and very substantial profits.

For example, the large size box of Aspro tablets cost a mere 5.95 dirhams, while a small tube of Vitamin Enriched Aspirin sells for 2.90 dirhams. Doliprane, for its part, has increased from 4.35 to 4.95 dirhams, while Sedaspir (which has increased by 18 percent in the course of 1 year, happy manufacturer!) is offered at 5.55 dirhams.

In view of the number of tablets contained in each of the packages containing these various products, these medicines are costly, very costly, because they are neither luxury products nor destined for specific use for certain afflictions or serious illnesses.

In authorizing substantial increases, most recently for Doliprane and Vitamin Enriched Aspirin, and earlier for Sedaspir and other products, the government officials are coldly choosing to play into the hands of the manufacturers who want to "catch up" on the widely consumed product, the price of which should in principle have remained low.

Headache, fever, pain, angina, coughs, colds or flu--all of these ailments of the winter and cold season serve the purpose of our local manufacturers who line their pockets thanks to Paracetamol, aspirin or other products, under the benevolent eye of the sponsoring authorities.

[20 Jan 82 pp 1, 3]

[Text] Prices, again prices! Increases, always increases! And what about the promises, the government commitment? Gone with the drought? This is perhaps indeed the case, for it has been a dozen days now that we have been daily reporting increases affecting popular consumer products, foodstuffs, medicines, mineral waters, soft drinks, various materials, etc., without distinction.

Today a new item has been added to the list of increases. It is ferroconcrete, that material which is essential to construction and the building sector.

Thus it is metal rods, following cement, which have been added to the list of increases, contributing in this way to the likelihood of stagnation in this sector and crisis, and providing grist for the experts in real estate speculation.

Prices have increased by 1.50 to 3 dirhams, depending on the category of ferroconcrete.

For example, No 6 steel bars will cost 8.50 instead of 7.00 dirhams. The cost of No 8 iron is up from 13 to 15 dirhams. No 10 ferroconcrete will be 3 dirhams more expensive, being sold at 21 dirhams per bar instead of 18. The same proportion will affect No 12 iron, up from 26 to 29 dirhams per bar.

Once again, the question, (lacking in a government response) arises. What has become of the solemn promises of the authorities? Where are the guarantees that prices would increase no further? Where is the control, the "freeze," the limitation on these prices?

[21 Jan 82 pp 1, 3]

[Text] The days pass, one after the other, and the main concern for popular households, the most numerous but also the most disadvantaged, is how to find the means to cope with the wave of price increases affecting products and goods in common use or of first necessity, in the food and other categories.

Never since the government made its official commitment to the parliament to combat rising living costs have examples of the emptiness of these promises been so numerous.

For example, one can note and fully deplore the major increases for poultry and eggs. We know that "white meat," a necessary substitute in these times of incredibly expensive red meat, is normally a real alternative for citizens who want, just occasionally from time to time, to enjoy the luxury of eating animal protein. Since mutton and beef or veal have become exorbitant in price (and to what extent!), "let us eat eggs or chicken!"

But we know that retailers are currently selling eggs at 75 centimes each in Casablanca! A dozen eggs at 9 dirhams cost more than a worker earns in a day's labor! What are the reasons for such an increase, when just a few days ago an egg could be bought for 60 centimes, a rather high price at that? The wholesalers and large producers, alerted by the spiralling prices of red meat, certainly do not want to be left behind, and so hike their prices, under the passive and tolerant eye of the public authorities.

The same bitter and disillusioned facts can be seen with regard to "Christian" or battery-reared chicken, which is sold at 15 dirhams and more per kilogram in the Casablanca markets! This is the price of beef just a few weeks ago!

What reasons, or rather what egotistical calculations and what greed for profit can be concealed behind such abusive increases? Those who want to take the trouble can see that our citizens with many mouths to feed purchase not a whole chicken but a half, or a carcass, or one drumstick. Where corn-fed or farm chickens are concerned, their purchase can now be seen as the privilege of the middle class and the wealthy, since "Beldi" chicken is sold at 25 dirhams per kilogram.

Where will these increases end? Too much--it is too much!

[22 Jan 82 pp 1, 3]

[Text] Readers, be warned! Do not telephone your friends anymore to inform them of new price increases, for there is every reason to believe that telephone rates have also increased.

According to consistent reports (which we would indeed like to have denied by the PT [Posts and Telecommunications Service]), the rate for interurban calls has been increased by 12 percent. Because of what need, for what valid reason? We see none.

Similarly, it would appear that the charge for installing a telephone has also increased from 250 to 370 dirhams.

Here is another illustration of the chaotic progression of the price policy in our country. All sectors--private, semiprivate and public--are increasing prices on goods, services and loans without any system. And the purpose of this is to face the people's masses with a fait accompli and to get in ahead of any possible price freeze of which we have heard so much talk and which we continue to await. For while the purchasing power of the popular masses is breathing a dying sigh, we are still awaiting the translation of the government's promises into actions: price ceilings, prosecution and punishment of those guilty of fraud, speculation and monopoly. For the time being, prices continue to increase. Tomorrow will bring further proof.

5157

CSO: 4519/108

LATEST BANK OF MOROCCO REPORT ANALYZED

Rabat L'OPINION in French 6 Jan 82 pp 1, 3

[Text] (MAP)--According to the most recent report of the Bank of Morocco, the pressures exerted on foreign accounts have already led the authorities to adopt a certain number of measures within the framework of the 1978-1980 3-year plan. Despite the efforts undertaken in this fashion, tensions developed again in the second half of 1979 and have made themselves felt forcefully since the early months of 1980.

Because of the level of foreign exchange assets and the unfavorable development indicated by the first estimates on the balance of payments, it was decided to implement the structural correction of the foreign balance within the framework of an overall economic program negotiated with the International Monetary Fund, with a view to obtaining assistance in the amount of more than a billion in special drawing rights over 3 years.

This agreement was designed mainly to improve current accounts and thus to reduce the need for recourse to foreign financing, as well as the adjustment of the balance of payments and the protection of foreign exchange reserves thanks to the contribution of the fund.

In fact, the report of the Bank of Morocco for the 1980 fiscal year indicated, the current account deficit was reduced in 1980 from 5,969,000,000 dirhams to 5,589,000,000. This favorable result came about thanks to a new strengthening of transfers from wage savings and a sustained contribution from tourist income. It was achieved despite the increase in the debt service and the trade balance which weighs heavily on the overall balance. It was possible to finance this deficit thanks to the receipts in nonmonetary capital at 82 percent, i.e., 4,612,000,000 dirhams instead of the 5,764,000,000 (96 percent) in 1979, leaving a negative balance of 898 million covered by mobilizing the facilities granted, increased by the exchange value of 781 million dirhams, and finally, tapping the foreign exchange assets for 117 million.

The volume of net foreign exchange reserves dropped in one year from 1,648,000,000 dirhams to 1,553,000,000. While the convertible assets remained almost stable at 1,675,000,000 dirhams, the debt position for nonconvertible foreign exchange increased again, reaching 142 million. In all, the net foreign assets represented only 33 days' worth of imports instead of 40, as in 1979, with

gross assets representing a little more than 2 months' worth, with 4,021,000,000 dirhams.

The Balance of Payments

The deficit balance for transactions in goods and services, which reached 9,984,000,000 dirhams, was again aggravated thanks to the joint effect of expanded imports and interest payments on the foreign debt, despite the development of the income from travel and the decline in government expenses abroad.

However, thanks to the increase in the surplus of transfer payment, which came to 4,395,000,000, the current operations deficit could be reduced by 380 million. Totaling 5,589,000,000, it represents no more than 8 percent of the gross domestic product instead of about 10 percent, as was the case for the past 2 years, or the 17.5 percent figure for 1977. The net nonmonetary capital contributions to the public sector and recourse to the International Monetary Fund, in the final analysis, kept the overall balance of payments deficit with the 117 million dirham limit, comparable to that recorded a year earlier.

Goods and Services

Goods and services transactions led to an imbalance of 9,984,000,000 dirhams instead of the 9,568,000,000 recorded the preceding year. This decline, twice as large as that which occurred in 1979, has to do with the increase in the trade deficit and to a still greater extent, to the speedup in withdrawals in the category of investment income.

Although it did not reach the level of 6,826,000,000 dirhams recorded in 1977, the negative balance for goods transactions, expressed in FOB terms, increased this year from 5,098,000,000 to 5,336,000,000 dirhams. In fact, while exports increased 25.8 percent, above all thanks to the stabilization of phosphate prices and the increase in sales of semifinished goods and food products, imports showed an increase of 17.3 percent, due essentially to the increase in the energy and food product bill. The increase affected transportation and insurance costs in the same proportion. They increased to 2,024,000,000, while income in the same category did not exceed 485 million, bringing the negative balance to 1,539,000,000.

Although the number of tourists remained practically the same, the foreign exchange income from travel came to 1,785,000,000 dirhams, up 6.9 percent, leaving a surplus, after deduction of the reduced allocations granted to residents traveling abroad, of 1,400,000,000, instead of the 1,270,000,000 reported for 1979. Transactions effected by the banking system, for their part, brought in 1,553,000,000, with expenditures of 329 million, as compared to 1,358,000,000 and 290 million, respectively, both showing an increase of nearly 14 percent.

The constant increase since 1975 in expenditures pertaining to investment income increased the deficit balance in the category from 1,593,000,000 dirhams to 2,212,000,000 in one year.

In fact, while the product of investments abroad dropped from 152 million to 148 million, the burden of the interest payments on the foreign debt increased substantially, coming to 2,169,000,000 instead of the 1,522,000,000 reported in 1979, and the total for profits, dividends and rentals transferred by residents of foreign nationality declined for the same period from 224 million to 192 million.

Withdrawals in connection with government transactions, for their part, came to only 2,819,000,000 dirhams, while this figure had been close to 3,200,000,000 at the end of the past 3 years.

Income from the operational expenditures for embassies and international institutions established in Morocco increased from 262 million dirhams to 291 million. In all, the deficit in this category was reduced from 2,962,000,000 dirhams to 2,528,000,000, coming to only about a quarter of the negative balance for goods and services instead of the 31 percent reported a year earlier.

Transfer Payments

Transfers without counterparts left a surplus of 4,395,000,000 dirhams instead of the 1979 figure of 3,600,000,000. This favorable development was mainly the result of the sustained expansion in the wage savings sent home by Moroccan workers abroad. These sums, despite the economic difficulties in the host countries, reached the equivalent of 4,148,000,000, up 12.2 percent, although this was less than in 1979 and above all 1978. On the other hand, the funds paid out, totaling 305 million dirhams, pertaining to the transferable income of foreigners engaged in activities in Morocco or those leaving permanently declined slightly, by 4.4 percent.

Public sector transfers showed a decline for expenditures and an increase for income. For example, the gifts allocated within the framework of intergovernmental cooperation and the payments made by way of contributions to the operational changes in international bodies dropped from 290 million dirhams to 221 million, while income in this category increased to 405 million, leaving a positive balance of 184 million as compared to a 52 million dirham deficit last year.

Finally, the overall surplus in transfer payments made it possible to finance 44 percent of the deficit in the goods and services balance, as compared to 37.6 percent the preceding year, and less than a quarter in 1977, the balance being basically covered by nonmonetary capital and the contribution of the International Monetary Fund, and to a very minor extent, by a sum taken from foreign exchange reserves.

Nonmonetary Capital

Excluding 79 million dirhams representing the exchange value of the 15.6 million in special drawing rights allocated by the Fund at the beginning of the fiscal year and the 781 million from the expanded facilities from that body, the net flow of nonmonetary capital came to 4,612,000,000 dirhams, showing a decrease of 20 percent, whereas an increase of about 3 percent was reported in 1979. In fact,

the resources declined from 8,651,000,000 to 8,233,000,000, while payments increased from 2,887,000,000 to 3,621,000,000, absorbing 44 percent of the income.

The movement of private capital, which showed a surplus of 437 million dirhams in 1979, showed a deficit of 448 million this year, due to the unfavorable development of commercial credit. Credit facilities granted abroad for imports showed a decline from 1,168,000,000 to 547 million, and during the same period, credit granted by exporters increased from 854 million to 1,183,000,000, such that instead of the surplus of 314 million reported a year ago, we had a deficit of 636 million. On the other hand, loans and investments showed a positive balance of 347 million instead of the 146 million reported a year ago. Income, totaling 569 million, increased by 50 percent, including transfers of foreign exchange in the amount of 526 million, incorporation of reserves totaling 15 million, and capital account deposits in the amount of 21 million.

The net recourse of the state and public establishments to foreign capital further declined from 5,327,000,000 dirhams to 5,060,000,000. In fact, the sums obtained increased again slightly to the level of 7,110,000,000 million dirhams, including 852 million in commercial credit and 6,238,000,000 in foreign exchange loans, obtained mainly by the treasury from multinational institutions, from friendly countries within the framework of bilateral cooperation, and on the international capital market.

Along with this, repayments in capital increased more rapidly, involving mainly settlement for previous purchases, totaling 378 million, and amortization of foreign exchange loans in dirhams, with a foreign exchange value of 1,647,000,000 dirhams instead of the 1,016,000,000 reported at the end of the preceding fiscal year.

As a result, the overall foreign public debt total, obtained by adding to the total repayments the amount of 2,078,000,000 dirhams in interest reported for expenditures in the investment income category, comes to 4,103,000,000 dirhams, or 22.8 percent of the current income as a whole instead of the 20.7 percent reported in 1979 or the 15.7 percent reported in 1978.

Foreign Commercial and Financial Settlements

As a whole, the settlement of trade transactions showed no substantial change in the course of 1980. A certain number of products were exempted from the requirements that funds be deposited prior to their import, while the general import program shows transfers from list C to list B subject to administrative authorization, and above all from this latter list to the list of products freely purchased, the importance of which increased from 27.4 percent to 34.1 percent.

Changes made in the foreign exchange control provisions remained minor, since the new methods introduced pertain solely to the procedures for guarantees provided by the residents for nonresidents or the reverse, and the simplification of the formalities pertaining to transfers to students abroad.

In another connection, the division effected between the free zone and the convertible zone in July 1959 was eliminated in August of 1980, so as to take into

account the changes which had occurred in the settlements between Morocco and the rest of the world. Henceforth, the only distinction remaining is that between the countries with which payments are made in convertible foreign exchange and those, totaling three, with whom settlements are effected on a bilateral basis, although in fact the foreign exchange account is active with only one of them. In this connection, the conditions for establishing and maintaining various accounts in foreign exchange and convertible dirhams, pending accounts and capital held by foreigners, were revised and improved.

In the foreign exchange policy sector, the monetary authorities undertook to adjust the indices for weighting currency comprising the price package during the course of the year, in order to take into account the changes occurring in the structure of payments to and trade with foreign countries. From one year then to the next, the dirham rate declined 2.8 percent in relation to the French franc, and showed a decline in relation to the majority of currencies in the European monetary system.

Similarly, it showed a major decline in relation to the pound sterling, the American dollar and the Japanese yen, due to the development of those foreign exchange currencies. Finally, the value of the dirham expressed in special drawing rights showed a decline of 10.9 percent.

If it was possible to contain the disequilibrium in balance of payments current operations in 1980, and as a result to limit recourse to foreign financing, without excessively altering the level of foreign exchange reserves, the fact remains that the trade deficit still appears substantial and is of an undeniably structural nature. Therefore, the adoption of a program to reestablish the balances does not seem sufficient in itself to strengthen exports and reduce recourse to foreign capital.

For this reason, it is clearly more necessary than ever, while at the same time seeing to a better allocation of the convertible foreign exchange available, to increase their volume by every means, as a shortage thereof constitutes a brake on economic development.

5157

CSO: 4519/105

COLLECTIVE EFFORT TO DEVELOP COMMUNITY ANALYZED

Casablanca MAROC SOIR in French 12 Jan 82 pp 1-2

[Text] Fes (MAP)--The plowing operation undertaken in the two zones of Fes province immediately after the royal "touiza" appeal involves 15,000 hectares. A thousand farmers volunteered their 200 tractors and 1,200 teams of draft animals, fuel and seed, which will benefit 4,500 fellaheen.

The plowing and sowing operation, now 40 percent complete, will be finished by the end of January.

Moulay Ahmed Alaoui, minister of state without portfolio, presided at a ceremony held Monday at the Sefrou Circle to launch the collective labor effort. Those present included the governor of the province of Fes, Moulay Mehdi Alaoui M'Rani, and numerous farmers from the region.

The minister explained that the "touiza" operation, organized on the initiative of King Hassan II, following the prayers of supplication and the coming of the rains, represents an age-old Moroccan tradition. He explained that "touiza," in Berber, means joint and collective work. He noted that Moroccans have organized the "touiza" for working the land, harvesting the wheat, drilling wells and the building of homes.

This long standing tradition is still alive in certain Moroccan regions, he added.

In addition, Moulay Ahmed Alaoui said that this tradition has its source in Islamic precepts which call for fraternity, solidarity and cooperation for the development of society in all sectors.

The minister then went on to stress that Morocco is a country dedicated to Agriculture and that the state has always granted priority to that sector and has made great efforts to ensure its development so as to increase production and achieve self-sufficiency for the country in the food sector.

On this occasion, the minister recalled that on Monday, Morocco celebrated the 38th anniversary of its declaration of independence, representing a great historic event. He spoke of the struggle waged by the late Mohammed V and the Moroccan people for the independence of the country.

This glorious anniversary, the minister stressed, should constitute a lesson for the Moroccan people and an inspiration so that they will remain mobilized and vigilant with a view to the achievement of progress and prosperity for the country and the defense of its territorial integrity and national gains.

Earlier, Moulay Ahmed Alaoui had attended a meeting held in the capital of the province, with Governor Moulay Mehdi Alaoui M'Rani presiding, to analyze the progress of the collective labor operation over the whole of the territory of the province.

The governor, for his part, stressed that the "touiza" operation launched on Wednesday, 6 January, in the province of Fes has achieved positive results gratifying to the farmers.

He said that the large farmers widely popularized the royal appeal and made available to the small farmers the human and technical resources needed in order for the "touiza" operation to develop under the best conditions.

The provincial director for agriculture and agrarian reform, Mr Driss Fassi Fihri, for his part, announced that 200 tractors and 1,230 plows are being used daily for the collective cultivation of 15,000 hectares, including 8,000 in hard wheat, 3,500 in soft wheat, and 3,500 in barley and leguminous crops.

This separation, which will benefit 3,500 families in the province, will require 30,000 quintals of fertilizer and 15,000 quintals of seed.

The provincial director also explained that 4,000 of the 15,000 hectares involved in the "touiza" operation have already been plowed. The 11,000 hectares which have not yet been plowed will be finished before the end of the month of January, he said.

Taking the floor again, Governor Moulay Mehdi Alaoui M'Rani praised the spirit of cooperation and solidarity evidenced by the farmers affected, and he praised the work done by the provincial commission and the communal commissions to carry the collective labor effort to a successful conclusion.

This meeting was attended by the secretary general for the province, Mr Mehdi Tahiri, provincial deputies, municipal council presidents, other officials, the heads of the agricultural departments and other civilian and military leaders.

Minister of Energy and Mines Moussa Saadi visited Hachlaf, about 30 km to the west of Oujda, on Saturday morning, to launch the collective labor operation in the province of Oujda.

Speaking to the farmers of Hachlaf, a zone covering almost 700 hectares involved in the "touiza" operation, Mr Moussa Saadi, who was accompanied by Mr Hamid El Boukhari, governor of the province of Oujda, and Mr Mohamed Maurady, secretary general for the province, stressed the profound significance of the royal appeal pertaining to collective labor, which, he explained, will serve as a perfect illustration of the solidarity of the various social strata. After emphasizing that the "touiza" operation is an ancestral practice with its very sources in the

Islam traditions of Morocco, the minister congratulated the individuals who had mobilized almost 150 tractors for the plowing of 700 hectares in this operation, benefiting 600 farmers and a population of 5,000 persons. The farmers, very pleased with this royal initiative, recalled on this occasion the repression to which they were subjected under the protectorate whenever they undertook the "touiza" operation, which they said was traditional in the region.

At the conclusion of his impromptu address, Mr Moussa Saadi prayed to God that the Oujda region may be spared from drought.

It should be noted that the Oujda Provincial Agricultural Department (DPA) had planned to include 200,000 hectares in the 1981-82 agricultural season, of which only 50,190 hectares, or 26 percent, has been plowed.

The "touiza" operation, focused mainly on the Oujda suburban zone, where the work seems to be lagging, will concern itself with the balance, i.e., 135,000 hectares.

The unplowed areas in the four zones of the province total 4,700 hectares in Berkane, 55,150 in the Oujda suburban zone, 28,370 in Taourirt and 19,190 in Jerada.

The lag seen in the plowing sector can be explained by the limited rainfall in Oujda, where the average was 13.7 mm for the period between October and December, as compared to 19.2 mm in 1980-81.

Minister of Traditional Industry and Social Affairs Abbes el Fassi, accompanied by the governor of the province of Khenifra, launched the collective labor ("touiza") operation in the communes of Mrirt, El Borj and Tighasaline on Saturday morning, where 370 tractors are in use for the plowing of an area of 16,273 hectares.

On this occasion, the minister delivered a speech in which he explained the purpose and the profound meaning of the "touiza" operation, and then urged the prosperous farmers to come to the aid of the fellaheen to enable them to make up for the lag caused by the drought.

The collective labor operation was launched Wednesday afternoon in the province of Ben Slimane by Minister of Religious Endowments and Islamic Affairs Hachemi Filali, who was accompanied by the governor of the province, Mr Abdelkhalek Benjelloun, elected officials, the secretary general of the province and the heads of other departments and a number of other leaders.

Mr Hachmi Filali visited the commune of Ouled Gaoui, in the Beni Amar region, and then Ben Slimane, where, accompanied by the governor of the province, he launched the collective labor effort.

The people gave the official delegation which had come to head this solidarity campaign in response to the appeal launched by his majesty the king, a warm welcome on this occasion.

In Ben Slimane, Haj Lahcen Ouladi, a provincial deputy, gave an address in which he thanked the minister of religious endowments and Islamic affairs for launching

this collective labor operation and asked him to inform the king of the fidelity and devotion of the inhabitants of the province of Ben Slimane to his majesty and the Alawite throne.

Mr Hachmi Filali, for his part, stressed the profound significance of the appeal launched by the king. He also congratulated the inhabitants of the province, who responded generously to the king's appeal with their mobilization, thus evidencing their spirit of solidarity and mutual assistance. The minister also spoke of the struggle the inhabitants of this province waged during the protectorate to liberate their land, and he emphasized the dedication of the farmers of the region in working their land, by virtue of the precepts of Islam which have always given priority to collective work for the good of the nation. In addition, Mr Filali confirmed that the policy of his majesty's government is designed among other things to ensure the technological independence and self-sufficiency of the kingdom in the food sector.

On this occasion, the minister recalled that the king has assigned great importance to agriculture, since he has designated this as the year of the rural sector.

The dignitaries present and the crowd then read the "Fatiha," praying to God for the safety of the king and blessings for the heir apparent, Prince Sidi Mohammed, Prince Moulay Rachid and the other members of the royal family.

The province of Ben Slimane covers an area including 156,200 hectares of arable farmland, representing 68.62 percent of the total area, estimated at 227,600 hectares. Grain and leguminous crops account for areas of 97,000 hectares and 30,000 hectares respectively.

For the 1981-82 farm season, plans call for the cultivation of about 116,373 hectares, including an area of 103,447 hectares planted to wheat and other grains.

The "touiza" operation will cover an area of 19,800 hectares, making use of 991 tractors. The number of small farmers who will benefit from this operation comes to 2,453.

The competent departments have undertaken the distribution of selected seed in the province this year including 5,000 quintals of hard wheat, 10,000 quintals of soft wheat, and 1,000 quintals of barley.

Where ordinary seed is concerned, 4,000 quintals of hard wheat and 8,000 quintals of barley have been distributed to the farmers. Parallel to this operation, 45,000 quintals of fertilizer have been distributed over the whole of the province.

The regional and local farm credit agencies have distributed a total of 18,847,352 dirhams to date. Other activities have been undertaken to protect the livestock herds, including the import of a substantial quantity of seed, which was subsequently distributed to the livestock breeders.

The provincial market in Ben Slimane, moreover, was supplied with 11,000 quintals of hard wheat, 5,000 quintals of soft wheat and 12,000 quintals of barley within the framework of measures adopted to counteract the effects of the drought.

END OF

FICHE

DATE FILMED

MARCH 1, 1982